

SALES man- age- ment

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THE MAGAZINE OF
MODERN MARKETING

AUGUST 1, 1934

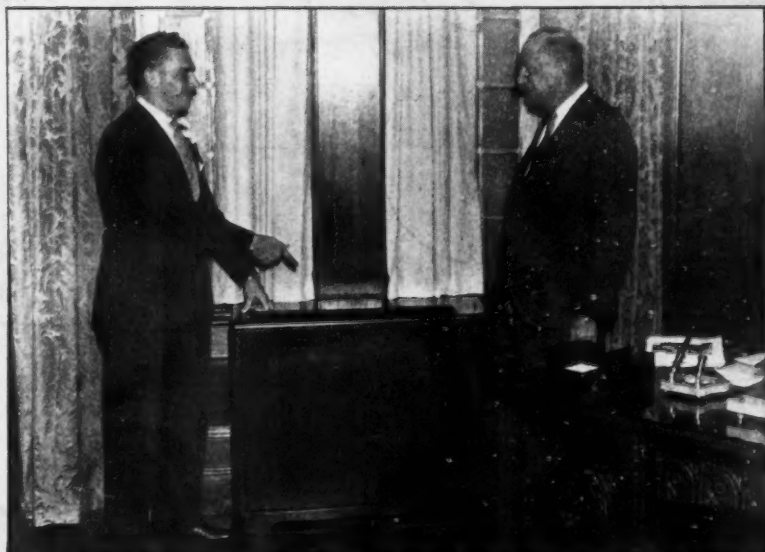
TWENTY CENTS



HITTING THE LINE: Al Zibell, sales manager of the Kohler Company, Kohler, Wisconsin, is trying a center buck to crash through a picket line of striking employees. The latter, who are demanding recognition for an A. F. of L. union, higher wages and a shorter week in Walter Kohler's model town and factory, hold the plunging fullback for no gain. Cops were finally called on to referee the game. Score to date, 0 to 0.



MEN'S COSMETICS: Anton Bruehl, famed photographer, deserts his camera to design these packages for Corcoran, Inc.'s "Top-Flite" toiletries. Thoroughly "he-man" are the jet black glass jars for hair dressing and talc and a collapsible tube in the same color for shaving cream. No excuse for sprouting bristles and a cowlick on masculine facades. Sleek Bakelite molded closures top off each container.



CHRYSLER JR., SR. & AIRTEMP: Entry of the Walter Chryslers, father and son, into the air-cooling equipment field is hot news. Will Temperature Corporation's Airtemp, with Junior as president and Senior as backer, bring a re-alignment of a snowballing industry? Though the might of Chrysler Motors is massed behind Airtemp, distribution will not be through auto dealers. See page 106 for further details.

California

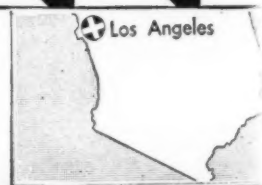
•AN ALL YEAR MARKET



California offers the National Merchandiser not only a tremendous "able-to-buy" market—but a **TWELVE MONTHS MARKET**. No excessive summer heat nor winter cold hinders business activity in the great centers of population.

Large as California is in area (second in the Nation), its population is heavily concentrated in Three Great Metropolitan Centers—Los Angeles, San Francisco and Oakland. Within the immediate Retail Trading Areas of these three cities is transacted nearly 70% of all the Retail Business of the entire State. Within these three areas resides 68% of the population of California.

THE 3 POINT





THE OAKLAND CITY HALL



THE SAN FRANCISCO FERRY BLDG.



THE LOS ANGELES CITY HALL

Shrewd merchandisers coming into California are concentrating their selling efforts in these three centers of business activity — and their advertising in the powerful afternoon dailies in each city.

In OAKLAND The Post-Enquirer

With its circulation concentrated 96% in Oakland and suburbs, The Post-Enquirer reaches 42% of the English Reading Families of the city. Absolutely essential to adequate coverage of the Oakland market.

In SAN FRANCISCO The Call-Bulletin

The leading evening newspaper of San Francisco. Its circulation is concentrated 93% in the city and suburban area and reaches 65% of all the English Reading Families in the city.

In LOS ANGELES The Evening Herald and Express

The largest daily newspaper in the West — both in circulation and in advertising. With a total circulation of 267,332 reaches 3 out of every 5 English Reading Families in the Los Angeles City Area.

These three great evening newspapers offer a dominating and effective coverage of the THREE POINT MARKET without duplication . . . and at a most economical cost.

MARKET

Represented Nationally by

PAUL BLOCK & ASSOCIATES

New York

Chicago

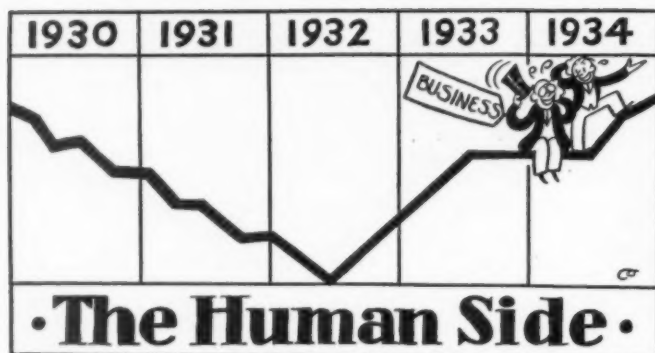
Detroit

Boston

Philadelphia

Los Angeles

San Francisco



Via Regis

Augustus Frederick Hanover—King George IV of England—has been brought back to life after 104 years by Thomas J. Molloy & Company, New York importer and distributor, "further to cement the good-will relationships now existing between the British and American people."

Incidentally, His Majesty in his travels by royal coach through 58 of the nation's large wet cities will start a \$200,000 advertising campaign in the interests of King George IV Scotch whisky, the sale of which Molloy handles in this country.

On his arrival in Grand Central Station in New York last week, ostensibly from England, via Quebec and Montreal, the "king" was greeted by a large crowd of commuters and cameramen. Also in the group could be seen certain Molloy executives, and Edwin M. Phillips and Edmund Lennon of Phillips, Lennon & Company, Graybar Building, New York, who handle the Molloy advertising.

He then entered his royal coach, and a team of prancing horses sped him to City Hall. Though Mayor LaGuardia was busy, various aldermen and members of the Board of Estimate left their municipal tasks to greet him. In the evening, His Majesty met the press at the Waldorf-Astoria and vouchsafed samples.

For three or four weeks the king is traveling about the metropolis, leaving busts of himself at hotels and better liquor stores. Then he will put his horses and coach in a van and proceed, incognito, by automobile to various New England cities. His itinerary after that will be along the lakes to Chicago, through the Northwest to Seattle, down the coast, and back a Southern route—the whole requiring several months.

As he enters each of the 58 cities (preceded a day or so in advance by a teaser advertisement) the King George IV campaign will break there. The king, again in his royal garments, coach and accoutrements, and accompanied by lackeys and fanfare, will proceed to contact the trade. In addition to promoting the product, His Majesty will function actively in increasing distribution. As this is developed magazine, radio and outdoor poster campaigns also will start.

His Majesty is personified by a veteran actor, lately unemployed.

George IV in real life, as you remember, ruled England from 1820 to 1830, and was son of George III, who as sovereign there for 60 years, during both the American Revolution and the War of 1812, surely did little enough to "cement good-will relationships" between the two countries.

Thomas J. Molloy & Company, however, is out to change all that.

Hollywood Cuts the "Nut"

Movieland's major studios send out some 100,000 "stills"—dramatic episodes from current productions—every month. These go to theatres for lobby display and to newspapers and mag-

azines in every community from Istamboul to Hong Kong. The labeling of this mountain of photographs is a perpetual problem, for the "nut," show slang for overhead, must be kept down.

Each picture has to carry the studio name, a description of the sequence depicted and names of the players, director and authors' names, filing identification, "made in U. S. A." and "permission granted for newspaper and magazine reproduction." Formerly girl secretaries typed captions on strips of onion-skin paper. Another crew gummed the completed strips to the backs of the photos, and battalions of rubber-stampers applied additional identification.

Still these pasted and stamped captions were far from satisfactory. Too heavy impressions of the stamp showed through on the other side; the pasted labels stuck together and peeled off. Whole stacks of prints had to be shoveled into the incinerator. The nut mounted and the treasurer went nuts.

Now Tom Baily, Paramount director of publicity, has stilled the still trouble. With the process which he introduced the captions for a set of pictures are first set by a commercial printer, using oversize type. An imprint is next taken on white vellum or glazed cardboard. When dry, this title is photographed by a still camera. The resultant negative automatically reduces the letters to the desired size. Developed in narrow strips, this negative is then locked in a photograph-printing frame, below the larger negative to be labeled. Both images print simultaneously. Caption and photograph are one.

According to rulings of the Post Office Departments of Uncle Sam and John Bull the hybrid caption-and-still is a photograph. It may therefore be transported "photopost" at a considerable saving over the first class rate. When you are sending out millions of pictures, that 75% saving soon runs up into enough to buy a star another swimming pool.

What! No Back Seat Drivers?

Hupp Motor Car Corporation, in its exhibit at the Century of Progress Exposition in Chicago, has worked out a plan for card indexing a prospect list. It is through a stunt called the "Hupmobile Safety Driving Contest." The visitor to the Hupp exhibit takes a seat in an automobile, under full operation, running on rollers. Directly in front of the car is a motion picture screen.

The driver starts the car and immediately finds himself operating it through traffic. All sorts of hazards bob up. Other cars and trucks suddenly bar his way, children run in front of the car, a railroad train dashes across in front of him. The illusion is extremely realistic and it's no job for a man with a weak heart.

The car holds the driver and four others. It is air-cooled—the smallest air-cooled theatre in the world. Outside, looking on through a plate glass window, is always a crowd of eager watchers. The test takes about five minutes and usually a queue of prospects for it are in line.

A good average day bring about 100 tests. When the test is over the driver gets a "diploma" which records his reactions. He is graded on four points. Observance of traffic rules; reaction to emergencies; cautious operation; handling of car.

The prospect list is built up by filling out a card which calls for the name and address of the person just tested, the make of car he is now driving, whether he is in the market to buy, etc. No effort is made to sell during the test. But if the card reveals that the man is in a buying mood, floor salesmen in charge of the Hupp exhibit go to work on him.

If he is to be in the market soon the name goes to his nearest Hupp dealer.

Attendants report that often parties arrive, make



Reincarnating George IV

SALES MANAGEMENT, published semi-monthly, on the first and fifteenth, except in April and October, when it is published three times a month and dated the first, tenth and twentieth; copyrighted and published by Sales Management, Inc., 420 Lexington Ave., New York, N. Y. Subscription price \$4.00 a year in advance. Entered as second-class matter June 1, 1928, at the Post Office, N. Y., under the Act of March 3, 1879. August 1, 1934. Volume XXXV. No. 3.

an ORCHID *for the* AMERICAN

A MILLION LINE GAIN

for the first six months, 1934

LEADS ALL CHICAGO DAILY PAPERS IN TOTAL ADVERTISING GAIN

In Chicago, the swing is to the American. No longer can there be any doubt about it. Eleven straight months of gain while some other papers faltered, gained a bit, then once again slipped. For the first six months of 1934, all figures are in. The American shows the greatest gain of all Chicago daily papers.

Why this steady rise in advertising lineage? Because habit-selection of newspaper space is as dead as the dodo. Advertisers are now buying space on results only. What counts today is "how many sales did my ad bring in?" In Chicago, *the American is clicking*. That, in one sentence, is the American's success story.

What happened during the depression is ancient history. What is happening today is headlined above. Obviously, in 1934, the American is Chicago's best seller.

P. S.—Also the greatest circulation gain of all Chicago daily newspapers, and thirteen consecutive years of circulation leadership in the evening field.

According to Media Records, Inc., the Chicago American's total paid advertising gain was more than six times that of the second evening newspaper, and more than triple that of the third evening newspaper.

AMERICAN	1,004,431	lines gain
DAILY NEWS	145,863	lines gain
DAILY TIMES	277,926	lines gain

The American's gain exceeded that of the first morning daily by 531,698 lines. It was also 259,545 lines greater than that of the second morning daily paper.

CHICAGO AMERICAN

... gives 450,000 families Buying Ideas

NATIONAL REPRESENTATIVES: Rodney E. Boone Organization

SALES management

Vol. XXXV. No. 3

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CONTENTS

Advertising	
Magazine and Radio Expenditures	130
Dealer Relations	
How J. & J. Get Dealers to Team Window and Counter Displays	108
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<i>The sixteenth of a series of dealer and consumer market investigations made exclusively for SALES MANAGEMENT by Ross Federal Service, Inc., New York</i>	
General	
Significant Trends	95
Market Research	
Men Buy Blends, on Saturday: National Distillers Studies Liquor Consumers' Habits..	103
To What Extent Do Radio Owners Constitute a Class Market?	122
<i>By Walter Mann</i>	
2,920 Minneapolis Housewives Check Their Pantry Shelves	105
News	
A Camera Man's Version of a Fortnight's Marketing News	97
Chrysler Corp. and Chrysler, Jr., Break Into Air-Conditioning	106
Nudists in Sheer Fury Will Fight Paris Garter "Nothing on" Drive	114
Washington Sees Building Boom Through Big Promotion Campaign	124
Sales Campaigns	
Leather, Hurt by Substitutes, Fights to Recover Lost Markets	100
Noxzema Trial of New Products Pays for Itself; to Expand in Fall	100
Nation-Wide "Silk Parade" Starts Battle for Business	107
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Why Buyers Are "Out" When Some Salesmen Come to Call	102
<i>By Bruce Crowell</i>	
Salesmen's Compensation	
Two More Slants on Handling Split Commission Arguments	112
Sales Policy	
Timken Expands Line, Advertising, Outlets, as Burner Sales Climb	104
<i>By D. G. Baird</i>	
Departments and Services	
Comment	132
Media and Agencies	126
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Snapshots	129
Talking Points	120
The Human Side	90
Tips	131

(Photo of Kobler picket line, on cover, by Associated Press)

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• • • Earnings statements for the first 121 leading industrial corporations to report for the second quarter of the year show an aggregate expansion of 38% in earnings over the same period last year. Half-year profits are up 68%.

• • • General Motors, for example, increased its net sales 63%, its number of cars and trucks sold 50.5%, and its net earnings 50% over the 1933 half year.

• • • Washington seems to show decreasing faith in the gold price-raising program of Professors Rogers and Warren. Our Washington editor says that the housing program is reliably reported to have been conceived by O. M. W. Sprague as an alternative to the price raising program through reduction of the gold content of the dollar, which he opposed so bitterly.

• • • During the first half of the year the Buick Motor Company had on its payrolls an average of 14,199 men. They earned \$10,529,279, or \$741 per capita. Last year during the same period Buick paid 7,183 men the sum of \$4,192,235, or \$584 per capita. If only all businesses could enjoy the amazing come-back of the leading automobile companies!

• • • Paul B. West, managing director of the Association of National Advertisers, notes a significant change in the buying of advertising space. "The advertiser is assuming more of the function. It is my opinion that it is the natural result of increased interest by purchasing and treasury departments in advertising expenditures, and by heads of business in advertising costs."

• • • That advertising is increasing is shown by the Curtis Publishing Company's six-months report: earnings of \$1,500,726 last year and \$3,731,371 this year.

• • • Knoxville, Tennessee, marks the first large city to take power from the T.V.A., and offers a base for setting the yardstick of electric rates. The city purchased the plant of a private utility company.



The new Axton-Fisher plant is working three shifts a day and sales are at an all-time peak, but Colonel Axton continues to receive only \$10,000 a year for heading a \$40,000,000 business. He refused a raise because he thought those at the bottom should be considered first. "If a man produces ten times as much as he did fifty years ago (which is true with machine production) he has to be in a position to buy ten times as much goods if we are going to have prosperity. If he can buy only five times as much we will land where we did a couple of years ago. The answer is we should pay higher wages." . . . This unusual industrialist went on to say that he believed in the processing tax because it would benefit the farmer. "In 1931," he said, "the cigarette manufacturers made a total net profit of \$145,000,000, whereas the farmer got only \$66,000,000 for the tobacco on which this profit was made, although the farmer had a bigger capital outlay than manufacturers."

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• • • General Motors, for example, increased its net sales 63%, its number of cars and trucks sold 50.5%, and its net earnings 50% over the 1933 half year.

• • • Washington seems to show decreasing faith in the gold price-raising program of Professors Rogers and Warren. Our Washington editor says that the housing program is reliably reported to have been conceived by O. M. W. Sprague as an alternative to the price raising program through reduction of the gold content of the dollar, which he opposed so bitterly.

• • • During the first half of the year the Buick Motor Company had on its payrolls an average of 14,199 men. They earned \$10,529,279, or \$741 per capita. Last year during the same period Buick paid 7,183 men the sum of \$4,192,235, or \$584 per capita. If only all businesses could enjoy the amazing come-back of the leading automobile companies!

• • • Paul B. West, managing director of the Association of National Advertisers, notes a significant change in the buying of advertising space. "The advertiser is assuming more of the function. It is my opinion that it is the natural result of increased interest by purchasing and treasury departments in advertising expenditures, and by heads of business in advertising costs."

• • • That advertising is increasing is shown by the Curtis Publishing Company's six-months report: earnings of \$1,500,726 last year and \$3,731,371 this year.

• • • Knoxville, Tennessee, marks the first large city to take power from the T.V.A., and offers a base for setting the yardstick of electric rates. The city purchased the plant of a private utility company.



The new Axton-Fisher plant is working three shifts a day and sales are at an all-time peak, but Colonel Axton continues to receive only \$10,000 a year for heading a \$40,000,000 business. He refused a raise because he thought those at the bottom should be considered first. "If a man produces ten times as much as he did fifty years ago (which is true with machine production) he has to be in a position to buy ten times as much goods if we are going to have prosperity. If he can buy only five times as much we will land where we did a couple of years ago. The answer is we should pay higher wages." . . . This unusual industrialist went on to say that he believed in the processing tax because it would benefit the farmer. "In 1931," he said, "the cigarette manufacturers made a total net profit of \$145,000,000, whereas the farmer got only \$66,000,000 for the tobacco on which this profit was made, although the farmer had a bigger capital outlay than manufacturers."

The Facts— and Figures

Leading commodities which are affected by the drought increased in price enough last week to counterbalance declines elsewhere and the Irving Fisher all-commodity wholesale index went to a

new 1934 high of 78.1% of the 1926 normal.

Carloadings—running under the 1933 figures for the first time this year.

Electric output—better than seasonal gains.

Bank debits—7% below last year for each of the last two weeks.

Automotive—both production and sales at a much higher level than makers expected for this period.

Construction—heavy engineering awards last week were 20% ahead of the average 1934 week and 140% over the average July week of 1933. The awards in June for all types of construction were 24% above last year.

• • • Interest in radio sets now has reached the highest pitch in several years, and some retailers describe current demand as measuring up to that of 1924, when satisfactory sets were first put on the market in big volume.

• • • New passenger car registrations in June are estimated by R. L. Polk and Company at 218,000 units, comparing favorably with 219,163 in May and 174,219 in June last year. According to *Automotive Daily News*, the first ten cars in registrations are Ford, Chevrolet, Plymouth, Dodge, Pontiac, Hudson, Oldsmobile, Buick, Studebaker and Chrysler.

• • • Plymouth sent its dealers a four-foot reproduction of a telegram which carried the good news—to them—that the last week in June was their greatest in history in retail sales and that the first six-months' shipments almost equaled the entire 1933 production.

• • • The good news isn't confined to the automotive industry. General Electric sales in the second quarter increased 52% over last year; June chain store sales were up 15%; hotel combined room and restaurant sales were 25% better that month.

• • • F. W. Dodge Corporation figures show that total construction contracts awarded for new building and modernization during the first six months were almost double last year's figures, and 28% greater than the first half of '32.

• • • Ross Federal investigators recently visited every druggist in Syracuse for a client, *Drug Topics*. They found that only one druggist out of 94 was not in sympathy with efforts being made by some manufacturers to stabilize prices, that nearly 90% said they were pushing the products of those manufacturers who were trying to stabilize, BUT that the average druggist knew the names of only 4 out of the hundreds of manufacturers who are making the attempt. Bristol-Myers and Lambert Pharmacal seem to have had the greatest success in getting their price-stabilization ideas over to retailers.

• • • Repayments to the RFC during the first half of the year almost equaled disbursements.

Reprints of Significant Trends are available at five cents each, remittance with order.

Brand Name Promotion

A study of New York department store advertising made by the New York University School of Retailing, reveals a tremendous growth of brand-name promotion during

the last four years, with "no brand" decreasing from 84.8% of all advertising, all lines, to 68.5%. In the same period private brands increased from 6.2% to 18.7% and national brands from 9.0% to 12.8%.

• • • The same organization questioned the owners of 58 department stores scattered throughout the country and found a marked division of opinion about national brands between the stores selling more than ten million dollars' worth of goods a year, and those selling less. The latter "believe that the sales returns in relation to advertising costs are greater from national brands than from their own brands, and they show a tendency to give increasing emphasis to the former . . . the larger stores are giving less emphasis to national and more to private brands."

• • • Against a quota of 646,723 household units, the combined sales of manufacturers of electric refrigerators for the first six months hit 1,010,506—or 55% above quota. States which ran 200% or more of quota were: Maryland and the District of Columbia, 222%; Kentucky, 209%; West Virginia, 289%; Missouri, 227%; Nevada, 205%; Oregon, 209%; Alabama, 259%; Georgia, 317%; North Carolina, 244%; South Carolina, 256%; Tennessee, 282%; Virginia, 239%; New Mexico, 224%; Wyoming, 221%; Arkansas, 234%; Oklahoma, 219%; Texas, 231%.

• • • At the time the NRA was formed and the drive was made to establish maximum hours of labor and minimum wage rates per hour, the prediction was freely made that the minimum wage would tend to become the maximum wage after a period of time. A New York organization, Economics Statistics, Inc., has made a survey of employment and payroll statistics for the month of June, which confirms the prediction. They find that the ratio of payrolls to employment declined to 79.9 as against 83.3 in May, and "based upon the actual number employed by the reporting industries, and the total weekly earnings paid to these employees, it can be estimated that those discharged during the month of June were in the higher wage brackets receiving the average weekly income of approximately \$30. This compares with the wage of \$20.81 per week for all those employed in manufacturing industries."

• • • The present level of industrial employment in the Detroit area is higher than for any Summer period since 1929.

• • • Merchandise exports for the United States in June totaled \$170,574,000 against \$160,207,000 in May, and \$119,790,000 in June, 1933. The increase is counter to the seasonal trend of the last three years.

• • • NRA officials have mapped out a broad program to protect the public against sudden, sharp price rises, of a "nuisance variety," the latter term applying to commonly used consumer commodities, where the mark-up would immediately be noticed by a large percentage of the public. For example, the mark-up on cigarettes under the tobacco code provided only for a retail price of 25 cents for two packages, though the industry is said to have desired more.



They Don't Throw Stones: Gibson Auto Service, Birmingham, Michigan, is the first service station in the Detroit area to be made entirely of glass blocks. Yellow and blue glass bricks catch the eye by daylight and glow with seductive translucence from interior lighting at night. Panels of clear glass give light instead of windows. Ordinary brick masons set the blocks in mortar without any special training or equipment. Owens-Illinois, the manufacturer, points out that a hose is sufficient to clean the walls inside and out, which is good news to the janitor.



Keystone View Co. Photo

Gin's His Drink: Leo L. Leventritt (left) is the new president of Tom Collins Eastern Corporation, bottler of a prepared Tom Collins. His former jobs include v.p. of International Wine Sellers; v.p. of Financial Independence Founders; and v.p. and g.m. of the Savoy Oil Company, Tulsa.



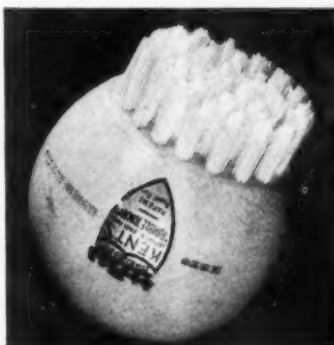
It's in the Air: Willis R. Gregg, chief of the United States Weather Bureau, shows Mrs. Gregg how much moisture there is in the air of a normal home. The water in the goldfish bowl was extracted from the Frigid-air air-conditioned house at the World's Fair in a single hour. In the globe at his left is the dirt taken from the atmosphere of the house in a week. And the housekeeper thought she dusted pretty thoroughly, too!

AUGUST 1, 1934

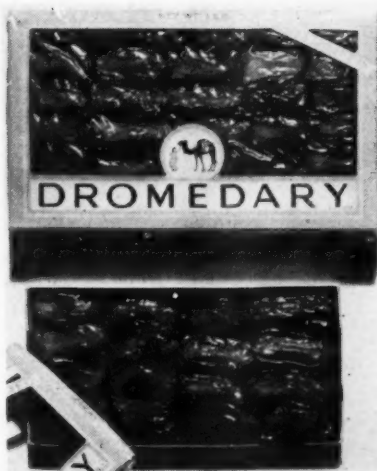
A Camera Man's Version of a Fortnight's Marketing News



Satisfied: Madera Wine Products Company, San Francisco, doesn't mind bragging about this poster. In one month, with no other media used, their sales shot up 100%. Foster and Kleiser, the poster outfit responsible, is likewise feeling very chipper.



Tumble Tommy: A ball of polished satinwood that fits the palm like the head of a swank stick, scrubbing bristles of Siberian boar, is this brush by Kent, of London. Put it down, bristles up and it rolls over onto its side like a playful fox terrier. It always rolls or tumbles to drain-and-dry position. Kent has been making brushes for 157 years and reports that Tumble Tommy is stirring up more enthusiasm in England than any brush in its history. London House, Ltd., is the distributor over here. The price is \$3 and \$5.



Dromedaries Come Out in the Open: Buyers can see all of these Dromedary dates now. The former package was judged best by artists and designers, but purchasers voted for the new one. Designed by L. C. DeForest, advertising director of the Hills Brothers Company, and Frank Van Steen, it uses that firm's traditional colors of yellow, red and brown. The top panel is of glistening transparent material especially developed to withstand the Pasteurization which the dates undergo. An inner wrapping and lid are removable, making it easy to grab and munch. The one-pound and four-ounce packages are shown.

[97]



Photo by Ewing Galloway

Does he hallelujah or hoot at mention of your product? Have your salesmen gained his friendship and loyalty, or does he regard them as "high-hat," unobliging and unsympathetic? Does he harbor some grudge against your price policies or advertising or eternally delayed shipments that is making him switch buyers to your competitor's product? Manufacturers whose sales are going up, or down, will be moved "furiously to think" by this examination of the unvarnished opinions of typical food retailers.

"**W**HAT three manufacturers' policies do you respect the most—and the least?" inquired Ross Federal investigators of 225 grocers in this sixteenth survey of marketing made exclusively for SALES MANAGEMENT. Grocers in Cleveland, Cincinnati, Toledo, Columbus, Akron, Youngstown, Canton and Dayton answered the question with complete frankness and impartiality.

These grocers were assured by the Ross Federal men that their names would not be published, nor would they be divulged to manufacturers, and because of the cloak of anonymity the editors believe that the roses and raspberries express the true feelings of the food merchants.

Some of the biggest of the big shots were accorded a rousing Bronx cheer by grocers who rightly or wrongly do not like one or more of the policies of these manufacturers.

Just as in the case of the survey made among jewelers and hardware dealers, and printed in the July 15 issue of SALES MANAGEMENT, the investigator first asked the grocer, "Who are the three manufacturers whose policies you respect the most?"

Ohio Grocers Give Manufacturers Cheers—and Bronx Cheers

The sixteenth of a series of dealer and consumer market investigations made exclusively for Sales Management by Ross Federal Service, New York.

After getting the answer to this question, the Ross men then asked the dealer to be more specific and to tell *why* these three manufacturers were respected the most by checking them on the following points:

- Price policies,
- Credit Relations,
- Sales Representative,
- Quality of product,
- Attractiveness of product,
- Magazine advertising,
- Newspaper advertising,
- Radio advertising,
- Store and window displays,
- Prompt shipments,

Other factors and general remarks.

The Ross men then asked, "Who are the three manufacturers whose policies you respect the least?" and followed by getting the dealer to indicate his reasons under the same headings as above.

Ohio grocers apparently think more often about the H. J. Heinz Company than any other manufacturer, for that organization was mentioned by 116 of the 225 grocers. Procter & Gamble, with 94 mentions, Kellogg with 87, Standard Brands with 86, and General Foods with 62 were the other manufacturers mentioned most often by these grocers, all of whom were either independents or proprietors of local chains.

Many of the grocers stated frankly that certain products had so much

consumer demand back of them that they were forced to carry them in stock, despite their dislike of manufacturers' policies, but that they did not push these products and substituted competitive brands whenever possible.

Other surveys in the SALES MANAGEMENT-Ross Federal series, and also independent surveys made by the *Cleveland Press*, *Minneapolis Tribune* and others confirm the ability of grocers to do an appreciable amount of "switching," and it seems to be a safe generalization that the fastest selling of the well-advertised brands are the ones the grocer most *wishes* to sell.

Whether the grocer feels that the manufacturer is a "swell outfit" or a "grade A heel" often means a difference between lagging and accelerated sales. Those companies that have a high batting average in the table printed herewith may be justifiably proud. They have secured—at least in Ohio—the thing over which so many executives spend sleepless nights—*dealer good-will*. The high regard expressed for their policies by hundreds of dealers is an endorsement and also a command to "keep up the good work."

These Ohio grocers found 1,911 detailed reasons for respecting manufacturers as against 645 reasons for not respecting them. The ratio of 74.7% of favorable reasons compares with 78.2% for jewelers in the same cities and 72.7% for hardware dealers. The favorable and unfavorable votes for specific policies were:

The SALES MANAGEMENT-Ross Federal Service surveys are copyrighted. They may not be reproduced or reprinted, in whole or in part, without permission of the editors.

	Favorable	Unfavorable
Price policies	466	360
Credit relations	184	54
Sales representatives	185	50
Quality of product	411	46
Attractiveness of product	111	12
Magazine advertising	217	28
Newspaper advertising	129	28
Radio advertising	98	18
Store and window displays	104	8
Prompt shipments	144	21
Other reasons	26	76

Price policies commanded more interest than any other point, but were less important than in the case of hardware merchants. Credit relations, newspaper advertising, radio advertising and prompt shipments were all more important to the grocers than to either hardware dealers or to jewelers. We are reprinting in the survey the percentage of votes on various policies for hardware dealers and jewelers, as well as for grocers, because we think that many readers will be interested in the comparisons. (See table on page 120.)

One hundred and thirteen manufacturers whose products are sold in the grocery stores were mentioned in the eight Ohio cities, with great majority being companies whose goods are distributed nationally. In the

How Much of a Cross Section?

Several readers have asked, "What percentage of the dealers did the Ross men visit in the eight Ohio cities?" Here are the figures:

Jewelers	17.0%
Hardware	13.6
Grocers (stores without meats)	7.8
Druggists	12.6
All groups combined	10.9

So far as the editors know, research experts have not agreed on any percentage figure which represents an adequate sample of dealers. The majority have agreed, however, that a 2% cross-section of consumers is adequate. Our dealer calls in Ohio averaged more than five times that figure.

"won and lost" column, we have combined under the corporate owner or parent company the various divisions of such organizations as General Foods, Standard Brands, National Dairy Products, National Biscuit, General Mills, and Gold Dust Corporation.

Most Mentioned:

H. J. Heinz Company
Procter & Gamble Company

Kellogg Company
Standard Brands
General Foods
Campbell Soup Company
Lever Bros. Company
Wm. Edwards Company
Beech-Nut Packing Company
General Mills Company

Most Favorable Mentions:

H. J. Heinz Company
Kellogg Company
Procter & Gamble Company
Standard Brands
General Foods Company
Campbell Soup Company
Wm. Edwards Company
Reid, Murdoch & Company
Lever Bros. Company
Weidemann

Most Unfavorable Mentions:

H. J. Heinz Company
Procter & Gamble Company
Standard Brands
Kellogg Company
General Foods Company
Beech-Nut Packing Company
Lever Bros. Company
General Mills Company
Campbell Soup Company
Colgate-Palmolive-Peet Company

Most Liked (largest number of favorable mentions) for:

Price Policies: H. J. Heinz Company, Procter & Gamble Company, Kellogg Company, General Foods, Wm. Edwards, Campbell Soup Company, Standard
(Continued on page 118)

How Ohio Grocers Rate Manufacturers

(List confined to manufacturers receiving favorable or unfavorable mentions from three or more dealers)

	Won	Lost	%		Won	Lost	%
Cincinnati Grocery Co.	13	0	1.000	H. J. Heinz Co.	61	55	.525
Libby, McNeil & Libby	5	0	1.000	National Biscuit Co.	11	10	.523
Merchants Grocer	4	0	1.000	California Packing Corp.	11	11	.500
Haserot	3	0	1.000	Foulds Milling Co.	2	2	.500
Salada Tea Co.	3	0	1.000	Standard Brands	40	46	.465
Durst Milling Co.	3	0	1.000	Beech-Nut Packing Co.	13	16	.464
Reid, Murdoch & Co.	23	1	.958	Procter & Gamble Co.	43	51	.457
Quaker Oats Co.	11	2	.846	General Mills Co.	11	14	.440
Weidemann	20	4	.833	Simpson Products	4	6	.400
Janszen	10	2	.833	National Sugar Refining Co.	4	8	.333
Cruikshank Bros. Co.	5	1	.833	American Sugar Refining Co.	2	4	.333
Ward Baking Co.	4	1	.800	Mueller Co.	1	2	.333
Stokely Bros.	4	1	.800	Columbia Conserve Co.	1	2	.333
Loose-Wiles Biscuit Co.	10	3	.769	Fels & Co.	1	2	.333
Wm. Edwards	27	9	.750	Ideal Macaroni Co.	1	2	.333
Nat'l Dairy Products Co.	15	6	.714	Corn Products Ref. Co.	2	5	.285
Campbell Soup Co.	30	13	.697	Colgate-Palmolive-Peet Co.	4	12	.250
Snider Packing Co.	9	4	.692	Arbuckle Bros.	1	3	.250
F. H. Leggett Co.	4	2	.667	Wheatena Corp.	1	3	.250
Swift & Co.	5	3	.625	Hormel & Co.	1	3	.250
Armour & Co.	6	4	.600	Wilson Milk Co.	2	7	.222
Carnation Milk Co.	6	4	.600	Dayton Spice Co.	0	3	.000
Pet Milk Sales Corp.	3	2	.600	Church & Dwight	0	3	.000
Kellogg Co.	51	36	.586	Gold Dust Corp.	0	6	.000
Lever Bros.	21	15	.583	Hewitt Bros. Soap Co.	0	6	.000
Hawaiian Pineapple Co.	5	4	.555	Amer. Fruit Growers Exch.	0	8	.000
Hershey Chocolate Co.	8	7	.533				
General Foods Co.	33	29	.532				
				TOTAL all manufacturers (113)	597	490	.549

We are withholding publication of the detailed reasons why dealers do not respect specific manufacturers because we do not wish to spread publicly any records which might be used in destructive, competitive selling. We shall, however, be glad to give these detailed reasons to those of our subscribers who make a written request or call at our New York offices. We will give them the reactions to the policies of their own company, but not to those of their competitors.—Philip Salisbury, Executive Editor.

Noxzema Trial of New Products Pays for Itself; to Expand in Fall

NOXZEMA Chemical Company, Baltimore, has just concluded a test of two new products that paid its own way, and which means the expansion of the Noxzema list.

Introducing additions to a line is always hazardous. Costly experiments must be made to perfect the innovation. Consumer response has to be sounded out. Not a few manufacturers have gone off half-cocked on supplements to their original best sellers and been drenched in a cloudburst of red ink.

Noxzema executives wanted to add to the firm's line of products. It was believed that a combination cleansing and night cream for women and a face powder would duplicate the "click" of Noxzema, sun tan oil and foot cream. But sometimes sister items following successful products turn out to be "weak sisters." How could the newcomers be tested thoroughly and inexpensively?

... Women Showered Quarters

More than 10,000,000 jars of the original Noxzema cream are sold in the United States alone each year. These jars, it was decided, should act as introducers of the new preparations. In each Noxzema package, therefore, a business reply envelope was included. The envelope unfolded and on the reverse side was a "Letter to women who use Noxzema":

"After months of experimenting we are happy to announce this new combination cream. We make no extravagant claims for it. We believe it is just as superior in its field as Noxzema itself is in its field. Why not compare this combination cream with your present creams? Simply fill in your name and address . . . with 25 cents. . . . We shall also send you a sample of a new face powder which will speak for itself."

Following up each request, the company sent a letter of thanks, further instructions on the use, and the explanation: "These two items are not on sale at any drug or department store, as yet. Our present packages are not very attractive, as we have put our money into the cream and powder, but when we know your reaction is favorable, our packages will be attractive and on sale at drug and department stores." In the meantime, cream and powder could be obtained direct from the factory in dollar packages.

"In less than two months," says

Elizabeth C. Buck, assistant general manager of Noxzema, "we had more than paid for all the experiments, all the jars, labels, caps and even the envelopes, which cost us considerably more than we had anticipated."

"At the outset Dr. George A. Bunting, Noxzema president, had insisted that he was unwilling to take any profits from a certainty and put them into an uncertainty. We are

Leather, Hurt by Substitutes, Fights to Recover Lost Markets

The leather industry, harassed for years by competition from rubber, paper and composition fabrics, suffers now as it never did before. It purposes to do something to protect itself. But the Tanners' Council committee on replacements and substitutes has not yet decided how to go about it. The committee, created June 22, is studying the situation from all angles and will choose a course about September 1.

The tanning industry may recreate its old-time publicity unit—American Leather Producers, Inc.—or it may undertake an advertising campaign, although there was no general satisfaction with the \$300,000 advertising program the industry ran in 1926 with the slogan "Nothing takes the place of leather."

It will, however, attempt action along several other lines. For one thing, the committee is feeling out shoe manufacturers to see whether 1934 is a propitious year to start an all-leather-shoe national promotion.

This "pure shoe" idea has been suggested often before. However, it never has met general favor with manufacturers. Some have always claimed they could not make an all-leather shoe to sell under \$2.50 without using such soft belly leather toe boxes and counters that these parts would not give satisfaction. Fiber of one sort or another is essential in cheap shoes, they say. Most of them agree that the all-leather shoe idea is workable, and should have popular appeal if it is limited to higher price levels.

The special committee is meeting the same arguments this year. But it may still roll up enough support for the plan so that some national promotion can be started by which to convince the people of this country that

proud of the fact that we paid for our several tests as we went along.

"Because returns from the envelope package enclosures have been so satisfactory, we are preparing to market these new items this Fall. Inasmuch as we have a well organized selling force we can do this without additional sales expense.

"We have definitely proved, as have other firms, that if you have established your name and product with consumers it is comparatively easy to introduce new items, the old product breaking the trail for the later arrivals."

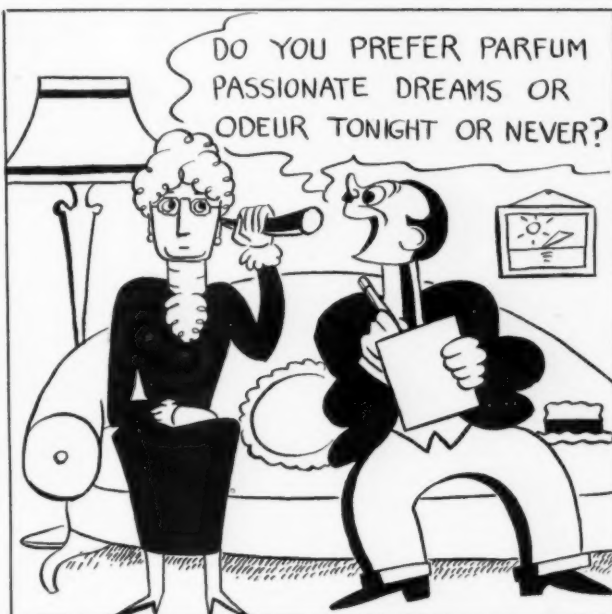
they should buy nothing but an all-leather shoe.

The committee is trying also to find ways of inducing leather's competitors to quit labeling materials with names that suggest skin or hide derivation—when the true base of the material is rubber, paper or a chemical composition. Here the tanners have a trade weapon. They can decline to buy chemicals from offending companies. However, there are many producers of specially treated fabrics, competing with leather, who sell no chemicals. This makes the tanners' problem more troublesome.

The committee also is studying anew the old idea that shoes, bags, belts and other such merchandise should be required by law to bear a label indicating the materials of which they are made. If that could be arranged, then the huge volume of rubber and paper products stamped, grained and colored to imitate leather could not deceive anybody. However, national legislation on this subject has always been beaten. Whether or not the Consumers' Advisory Board of NRA could now help achieve new labeling regulations remains to be determined.

Of course, protests can be filed with the Federal Trade Commission, as fast as the committee turns up flagrant cases of misrepresentation and mis-marking. Members of the committee admit, however, that deceptive practices of their competitors are not their main problem. After all, deliberate deception is not generally practiced. Nevertheless the committee has assembled at Tanners' Council headquarters, 100 Gold street, New York, the beginnings of a display collection to show members that competitive products fill the market and cut into leather's trade.

(Continued on page 130)



A Ross Federal investigator has a hard day

Why Buyers Are "Out" When Some Salesmen Come to Call

BY BRUCE CROWELL



¶ An exaggerated picture? Of course, but the importance of the ABC's of selling cannot be over-emphasized. Slovenly dress, slap-on-the-back familiarity and the "I'm telling you" bump of conceit—obvious faults too often overlooked—change door signs from By Appointment to No Admittance.

I SAT in the office of a company executive in Philadelphia this week. While we were talking a young man walked in, unannounced. It developed that he was a salesman. My host excused himself for a moment while he chatted with his caller and I heard him ask the chap to drop in some time during the following week. The two had obviously met often before and were on very friendly terms.

However, after the salesman had gone, the executive 'phoned the girl at the information desk and this order went forth:

"Say, where does Howell get the idea he can walk in on me any time he wants to? Doesn't he ask to be announced? . . . Well, after this you're to stop him and find out if I'm busy."

He was obviously nettled. Then he turned to me: "I've known Howell for years and he's a good salesman. But I don't want him to get the idea he has the license to barge in on me at any hour of the day or night when I'm busy with other people. That's the trouble with many salesmen—the better they get to know you, the more they forget their common good manners in contact with you!"

* * *

This comment, then, is devoted merely to a reminder to all of you men in the field that common, ordinary good manners are really a very important part of selling. This is a simple fundamental, something often taken for granted. But we all need a bit of prodding—especially because so often we, ourselves, may never learn just where or how we offended a buyer. All we know is that it gets harder and harder to see him and we finally lose his business. That thing we call personality is such a big element in selling. And no man who seeks buyers while he wears a soiled collar or an unpressed suit, forgets that it costs nothing to say "Yes, Sir," or fails in the *little* courtesies that go so far toward making personal contacts pleasant and profitable, can hope to leave the right impression of his company and his products in competition with men who are not so careless.

¶ "Clothes make the man, manners the gentleman." Many a salesman, who would as soon think of calling on prospects without his pants as of appearing in creaseless clothes, is yet guilty of boorishness, tactlessness, and neglect of the small amenities which cost so slight an effort—and mean so much.



Reprints of this page are available at three cents each, remittance with order.

Men Buy Blends, on Saturday: National Distillers Studies Liquor Consumers' Habits

GENERALITIES — dangerous always—are especially so in any attempt to describe the buying habits of Today's Liquor Consumer. His habits are far from being formed. They are shot full of exceptions. So we must start off this summary of several months' study by Erwin, Wasey & Company, advertising agency, for its client, National Distillers Products Corporation, by amplifying and qualifying the first line of our head:

1. The chances are about seven in ten that men do the liquor buying, but this varies rather widely with locality;
2. Though lower-priced domestic blend whiskies probably still rank first both in volume and in dollars, "young straights" are rising rapidly in popularity.
3. And because of the prevalence of two-full-day weekends in many localities, Friday has risen to about equal importance with Saturday as the principal retail liquor sales day nationally.

Fri.-Sat. Get Half Week's Sales

National Distillers Products Corporation, as you doubtless know, is the largest factor in the United States liquor industry. Through its recently acquired interest in Distillers' Company, Limited, of Great Britain, it may be on the way to becoming the largest liquor factor in the world. The studies are being made by H. L. Douglas and E. W. Prindle of Erwin, Wasey's marketing department, under the supervision of Clayton W. Cousens, advertising director of National Distillers.

To take our last "correction" first. Friday and Saturday, it is estimated, are now about even as the principal family stocking-up days, each with about 25% of the week's total. Monday is the least important, with about 5%. (This may interest national advertisers in the liquor industry, from the angle of timing their advertisements.) The sales get progressively higher on Tuesday, Wednesday and Thursday—except, of course, when holidays interfere. Friday has probably made more progress in large than in small cities.

Complete data as to the proportion of liquor purchases made by men and by women are not yet available. Studies of scattered cities from Chi-

cago to New York, however, indicate men's share at between 68 and 80%. Women buy 20% of the family liquor in Chicago, 32% in northern New Jersey, and 29% in Metropolitan New York City as a whole. This last figure broken down becomes 22% in Brooklyn, 26% in Manhattan and 30% in Westchester and the Bronx.

"Young Straights" Gaining

Last spring the lower priced domestic blends were 'way ahead in popularity. In the last couple of months, however, Erwin, Wasey believes, these have gone down in various cities as much as one-third, while the sales of young domestic straights, usually about a year old, have almost doubled. The straights sell for a little more than the domestic blends. There has also been a slight but steady increase in the share of imported, aged whisky and perhaps an even better showing in dollars.

There is some difference of opinion as to which are best sellers among whiskies and gins. National Distillers finds in a study of 50 cities where it advertises that its low-priced Crab Orchard brand leads definitely in 17 and is one of the five best sellers in 33. This study was made with the cooperation of newspapers. Next in rank are Shipping Port, Sweep Stakes, Golden Wedding, Four Roses, Paul Jones and Brigadier. Shipping Port, Four Roses and Paul Jones are products of Frankfort Distilleries ("largest independent distilling company"); Sweep Stakes of Continental Distilling Corporation, Philadelphia; Golden Wedding of Schenley Products Company, and Brigadier of National Distillers. New York, Detroit and some other large cities are not included in this study, but Crab Orchard, it was found, ranks first in such centers as Chicago, Boston, San Francisco and Los Angeles. Pennsylvania and Ohio are the most populous states operating on the "state stores" basis. In Philadelphia, Allegheny ranks first; in Pittsburgh, Sweep Stakes; in Cleveland, Brigadier; in Cincinnati, Crab Orchard.

Among the Scotches the battle for leadership appears keener. In an analysis of 61 cities Teacher's Highland Cream was found first in 17, followed by White Horse, 11; Haig & Haig, 10; Johnnie Walker and

Black and White, 7 each. On the other hand among "total mentions" of the leading five in each of these cities Haig & Haig ranks highest and it is tied for first with Teacher's on the basis of "weighted total" (giving five points for first place, four for second, and so on) with 119. Johnnie Walker gets 118, Black & White, 97, and White Horse, 95.

The Scotch sales are not yet of much importance in the total liquor volume, however. Although no data on national preferences are available, it was shown in a six weeks' study of Pennsylvania District No. 4, which includes Pittsburgh, that United States blended whisky, in bottles, accounted for 49% of the total; straight (young) whisky, 21.4%; domestic gin, 22.2%; U. S. bottled in bond and Canadian bottled in bond whisky, 1.5% each; imported Scotch, .9%, imported Irish, .08%. This leaves less than 3½ to cover all rums, bottled cocktails, liqueurs, brandies and other spirits.

What Gin Is Leading?

Study of 68 cities shows that though Fleischmann ranks first in 14, as compared with Hiram Walker and Dixie Belle in 13 each and Cavalier in 9, Hiram Walker's "weighted total" is 161, as compared with 136 for Fleischmann, 113 for Dixie Belle, and 106 for Cavalier. These last two are products of Continental Distilling.

What with the products of the new Distillers Company, Limited, of America, now building the world's largest gin distillery over at Linden, New Jersey, and other liquor and wine products to be promoted, Erwin, Wasey will continue its researches. It has learned enough by now, however, to do a bit of specific moralizing. Take for example what has happened to three competitive products in one area in three recent months. All are low-priced, but two are the same price and one is a bit higher. In quality they are, respectively, low, fair and good. "Low" had a month's start in advertising. At the beginning of this study its sales were three times as large as those of "Fair," which ranked third in volume. "Fair," however, speedily became the largest advertiser of the three, and boosted its position to second. "Good," meanwhile, advertising moderately, became first in sales, despite its higher price. The sales ratio of the "Good" to "Fair" at the end of this period was three to two, of "Fair" to "Poor," five to three.

Today's Liquor Consumer is buying more carefully, with more of an eye for value, even if he has to dig up a quarter more to get it.

Timken Expands Line, Advertising, Outlets as Burner Sales Climb

Changes in Timken sales policies which are partially responsible for their 82% jump in sales during the first half of this year include decentralization of management, with added responsibilities and a revised bonus arrangement for branch managers.

BY D. G. BAIRD

SALES of the Timken Silent Automatic Company, Detroit, registered a gain of 82% during the first half of 1934, as compared with a gain of less than half as much for the industry as a whole, but that is only a modest beginning, in the opinion of M. J. Roberts, vice-president and general sales manager, who assumed the Timken sales leadership early in January.

An aggressive promotional campaign, already under way, is outlined under the following headings:

1. Expanding the line of products.
2. Expanding the advertising.
3. Expanding sales outlets.
4. Expanding the bonus plan.
5. Introducing new sales helps.
6. Introducing new policies of sales management.

Up until last fall, Timken Silent Automatic had only one major item to sell: an oil burner of the wall flame type for installation in the customer's own furnace. It then introduced a combination boiler and hot water heater with burner installed, but sold comparatively few, largely because only one size was available. Three other standard sizes are now being added, while others can be supplied to meet any need. More effort will be devoted to selling such complete installations.

In addition, three entirely new products have been or are about to be introduced. These are an air-conditioning oil furnace unit for warm air heating, an oil burner of the pressure type, and an oil burning hot water heater.

The Timken management is positive that its pioneer wall flame burner is the best type for the vast majority of installations. But there are some few furnaces in which the pressure type of burner is perhaps more satisfactory. More important, some prospects prefer the pressure type because of their acquaintance with one in a

friend's home. Timken, therefore, will add a burner of the pressure type, while continuing to emphasize the wall flame type. This is expected to make some sales and save others, as Timken salesmen will be prepared to say, "If you want it, we've got it."

The oil burning hot water heater is expected to be a major addition to the line. It is said to be very economical and exceptionally fast, as compared with other methods of heating water. Perhaps even more important is the fact that the sale of such a product is not subject to seasonal influences or climatic conditions, as oil burners are. Whereas the principal market for oil burners is restricted almost entirely to only a few of the forty-eight states, the water heater is adaptable for use everywhere and will in time be marketed nationally.

The expanded advertising program is already in effect and has contributed materially to the sales increase during the first half of the year. It will continue to expand automatically as sales continue to increase. Briefly, the plan is one of cooperative advertising, operated and controlled by the factory. Branches and dealers contribute a certain amount for every burner they sell. The factory supplements this, prepares the advertising, finances and places it.

Oil burner sales being seasonal, it is important that the advertising schedule provide for expenditures before sales are made and contributions received. The factory, therefore, anticipates sales, places the advertising accordingly, and collects when and as

sales are made. This method also insures that the advertising will be placed and will be published.

Advertising funds are devoted to window display material, direct-mail, and newspaper space, in the order named. This order is followed because all dealers can use window displays and direct-mail, whereas some cannot afford newspaper advertising. Even the associate dealer who sells only an occasional burner can afford to identify his salesroom by installing a suitable window display.

A cooperative advertising plan had been in effect for some time prior to this year, but it was optional and only a small percentage of dealers cooperated. The plan is now uniform, with the result that the amount of advertising has been greatly increased.

Sales outlets have been greatly enlarged since the first of the year, and

will continue to be expanded, by adding associate dealers. The radius of a factory branch or dealership is usually about twenty-five or thirty miles, but, as might be expected, the fringes and sometimes other parts of such territory are not cultivated intensively. Since the first of the year more than 200 desirable dealers handling such lines as electrical refrigerators, radio, automobiles and electrical supplies have been appointed as associate Timken dealers to add selling power in such districts. They sell only, leaving installa-

tion and service to the branch or dealer with which they are associated. They also cooperate in the advertising program.

In addition, direct factory dealers have been appointed in many new markets and the wholesale distribution set-up has been greatly strengthened, with the result that Timken's wholesale sales have increased 160% over 1933.

Still another change has been in the bonus system as applied to branch executives. In the past, the sales manager (who in many cases is also the branch manager) was paid a bonus on



M. J. Roberts

Timken's v.p. and general sales manager

the net profits at the end of the year and the office manager was also in line for an inconsequential bonus. Under the new plan, the sales manager receives an over-riding commission on sales, in addition to his bonus, the office manager receives a bonus which is a real incentive, and the service manager also has an opportunity to earn a substantial bonus. Thus the heads of the three divisions of the business are all provided an attractive inducement to make money for themselves and for the company.

New sales helps consist chiefly of slide films, said to be the first used in the oil burner industry. One film is for use of wholesale men in contacting prospective dealers; two others are for the use of retail salesmen in contacting prospects. One of these visualizes the advantages of oil heating, while the other stresses the competitive position of Timken. Most of the claims made are put into the mouths of users, which results in an unusually convincing presentation. Spencer projectors and Jam Handy films are used.

Changes in sales management policies have been chiefly along the lines of decentralization and delegating of authority. In the past, Timken has followed a policy of highly centralized factory management. Branch managers had little authority over any except routine matters. Records of retail salesmen were kept at the factory; new salesmen had to be approved from headquarters before they could begin work as full-fledged salesmen; old salesmen and other employees could not be discharged without factory approval; even minor expenditures other than regular expenses had to be approved beforehand.

Mr. Roberts thinks it is better to outline only the major policies, employ capable subordinates, then look to them to take care of minor problems and to produce results.

"I believe in selecting subordinates carefully, putting it up to them to produce results, then being governed accordingly," says he. "A branch manager, for example, is in full charge of his branch. He doesn't have to write me a long letter explaining why he thinks a certain salesman should be fired or asking permission to spend a few dollars for some cleaning or alteration around the office. If his service department isn't satisfactory, it is entirely up to him to make it satisfactory—not to write me about it. I estimate that our service has been improved about 200 or 300% since this decentralization plan became effective.

"Or consider the matter of adjust-

ments. We have factory service men and we investigate all cases of dissatisfaction that aren't promptly and satisfactorily adjusted by the branch or dealer—and some that are. But suppose one of our distant branches is faced with the necessity of making a minor adjustment on a customer's claim. If that must be taken up with the home office, there is going to be great delay and increasing dissatisfaction on the part of the customer. Then if we send a man there from the factory it will cost us several times as much as if our local man had simply made the adjustment and

been done with it. Of course, we don't encourage promiscuous expenditures without good cause, but we do depend on the local employee concerned to decide minor matters promptly.

"We give subordinates to understand that it is up to them to follow their own best judgment, but that if their judgment proves to be faulty, and they don't produce satisfactory results, then some change will necessarily follow.

"The new policy has been well received, and we are optimistic of the future."

2,920 Minneapolis Housewives Check Their Pantry Shelves

The 1,125 independent retail grocers in Minneapolis do 35% of the business; 138 corporate chain stores do 23.6%, and 330 voluntary buying groups account for 41.2% of the business. This is in decided contrast to Cleveland, where the voluntary buying movement is negligible and 71% of the groceries are bought at chain stores. Cleveland has the highest percentage of chain store business, and Minneapolis the lowest of any of the fifteen cities leading in population.

The above facts about Minneapolis—and thousands of others—were accumulated in a Pantry Shelf Inventory, sponsored by the Minneapolis *Tribune*, and conducted under the auspices of the Parent Teachers' Association.

The Cleveland *Press* turned over to the Minneapolis *Tribune* complete information about how the two PTA Cleveland surveys were conducted and the same formula was followed in Minneapolis, thus making possible direct comparisons in the buying habits of two cities.*

The 2,920 Minneapolis housewives who cooperated represented a 2% cross-section of the homes and immediate suburbs. The information on the multiple-page questionnaire was turned over to the International Business Machines Company for recording on punched cards which tell the story of not only what was on the pantry and refrigerator shelves, but how much of and where and how often every item was bought. Minneapolis does 42.2% of its food buying on Saturday, and 25.6% on Friday—or two-thirds of the business in the last two days of the week. Saturday business in that city represents 5% less of the total than in Cleveland.

*The second PTA survey was described on pages 108 and 109 of SALES MANAGEMENT for February 1, 1934.

In answer to the question: *Does your grocer frequently suggest other brands than those you ask for?*—38% of the people said "yes"; 62% said "no." But, in answer to: *Do you often accept these suggestions?*—82.2% said "yes"; 13.7% "no." In other words, 29.1% of the total market is directly influenced by dealer suggestions, as compared with 28.1% in Cleveland.

The reasons for buying in a particular store in Minneapolis do not differ materially from Cleveland, as the following compilation shows:

	Minneapolis	Cleveland
No reason	23%	23%
Price	20	20
Quality	19	18
Location	18	24
Service	7	6
All other	4	9
Charge accounts..	9	Included in all other

The voluntary buying groups in Minneapolis get 36.7% of the business of the Group A (highest income group) Class; 45.1%, middle class business, and 33.3% of the Group C buying. In Minneapolis Allied Grocers, with 70 stores, get 29.3% of the voluntary buying group sales; Fairway, with 50 stores, 14%; the Food Guild, with 63 stores 19.7%; I.G.A., with 31 stores, 7%; Red & White, with 45 stores, 17.3%; United Grocer, 32 stores, 6.4%; RiteWay, 39 stores, 6.1%.

The chain stores get only 18.3% of Group A business, but 24.9% of Group C, and 23.8% of Group B. The C. Thomas chain of 18 stores gets 37.1% of the chain business; National Tea's 71 stores, 31%; A & P, 23 stores, 15%; Piggly Wiggly, 5 stores, 6.3%; Red Owl, 9 stores, 3.4%; and Warren chain of 12 stores, 6.9%.

(Continued on page 125)

Chrysler Corp. and Chrysler, Jr., Break Into Air Conditioning

THE July preview of the latest Chrysler product—an air conditioner—also revealed Walter Chrysler, Jr., as president of Temperature Corporation. This company holds the world-wide sales rights for the Airtemp, which is the name of the new air conditioner made by the Amplex Division of Chrysler Corporation.

The product itself involves features and policies meriting special interest, but the fact that the new Chrysler enterprise is headed by Walter, the son, and enthusiastically backed by Walter, the father, is of special significance. It indicates beyond doubt that the full weight and power of the Chrysler organization will be behind the new air conditioner. It also stands as the first highly important business wedding between father and son, with Walter, Jr., in the role of a major executive.

In an exclusive interview which the editor of SALES MANAGEMENT held with Walter Chrysler, Jr., and other officials of Temperature Corporation, it was made clear that Chrysler is making no small plans in the air-conditioning field, and, while many important policies will be drawn out of the motor car experience of the Chrysler organization, the distribution set-up for the Airtemp will be completely divorced from that of the Chrysler line of automobiles. The Chrysler heads look upon air conditioning as future standard equipment of all structures in which we live, work, eat or play, and, hence, feel that an independent but widespread distribution of machinery is warranted.

Appoint Exclusive Dealers

The Airtemp will be marketed through exclusive dealers, some of whom have already been appointed, including the United Air Conditioning Sales Corporation for metropolitan New York. Walter Chrysler, Jr., is also president of this firm. The distribution set-up provides that no other products which are competitive with any of the products marketed by Temperature Corporation shall be handled by the distributor. Although the entire line at the present time consists of the Airtemp air conditioner, there

is then a strong implication (as yet not officially confirmed) that the new company will sooner or later introduce a line of one or more kindred products.

Mr. Chrysler is distributing through other than automobile dealers, because, practically without exception, manufacturers have failed to meet with success in distributing outside lines through the retail automotive trade. Chrysler executives may also feel that in two fields involving so much outside and personal selling, it would be impossible for the retail sales staff to do equally aggressive justice to such diverse products as motor cars and air conditioners.

Chrysler Wasn't Satisfied

The origin of the new product grew out of the efforts of Walter Chrysler, Sr., to air condition his own executive offices in the Chrysler Building. Various engineers of the Chrysler Corporation were consulted. As an outcome, these same engineers found they were well on their way toward developing a new and distinctive product, instead of doing just a one-time custom job for the big chief. Coincidentally with this development, Walter Chrysler, Jr., was shifting his attentions and energies from the book publishing business, where he was specializing in rare editions, and from the fields of art, architecture and decorating, which he was exploring with both avocational and professional intent. His progress along the latter lines was responsible for his appointment as chairman of the Operations Committee of the Chrysler Building, of which unit he is also a member of the Board.

The Chrysler theory of successful manufacturing is based upon the principle of meeting price competition at the minimum level, and then seeking to apply and offer the benefits of superior engineering. This basic principle is being applied in the case of the Airtemp, where mass production and mass distribution at minimum prices are the primary conception. The minimum unit priced at \$175 indicates that the Airtemp is likely to pioneer at a new price level throughout the entire range of air-conditioning installations.

Walter Chrysler, Jr., jumps from book publishing to the presidency of Temperature Corporation, newly launched manufacturer of air-conditioning equipment. Air control is just beginning he feels. (See also photo on cover.)



In appearance the Airtemp is not sensational. Rather does it seek in minimum measurements to constitute the equivalent of a well-designed, enclosed radiator. It is designed to supply heating as well as cooling, hence the logic of the conservative design is easy to understand. The distinctive engineering features include operation from the ordinary water pipe lines, without the use of any compressor where the temperature of the water is 60 degrees or lower. Where the water is warmer a compressor is required, and is mounted in the now-famous "floating power" manner. The typical unit not only cleans the air at all times, but cools and dehumidifies it in summer, whereas in winter it heats and humidifies it. Operation cost of a typical unit is estimated at but a few cents a day.

Varied Models Planned

The Airtemp is being made for all types of installations, and the line includes a portable model for use by hotels on a so-much-per-day basis to guests. Several permanent Airtemp room installations have been made in a Detroit hotel. The hotel makes a slight extra room charge.

In addition to Walter B. Chrysler, Jr., the directorate of Temperature Corporation includes R. F. Tierney, Harry Davis, Jack Chrysler, Edgar Garbish and Byron Foy. H. Curby Jamerson, formerly director of advertising and sales promotion for the DeSoto Motor Corporation, has been appointed sales manager. The advertising, which will break first in newspapers and business papers, is in the

SALES MANAGEMENT

hands of J. Stirling Getchell, Inc. The "Air-Conditioning Salon" on the street floor of the Chrysler Building, New York, was designed by Walter Chrysler, Jr. It includes a private office, a living room, and an office foyer. The following comment by Walter Chrysler, Jr., emphasizes the breadth of the market sought for the Air-temp:

"It was not until the automobile industry developed standardized, mass production methods, offering good

products at prices that the great majority of Americans could afford, that the business progressed to where today two out of every three families own a motor car—many of them two cars.

"Most of these cars—in fact 62% of them—are bought by persons who earn \$3,000 or less per year. The time is at hand when it will be as common for these people to have air-conditioning units in their homes, apartments and offices as it is for them to own a motor car—or a good radio."

Nation-Wide "Silk Parade" Starts Battle for Business

Silk is attempting a come-back. Its volume has been cut down tremendously by price and competition during the past few years, but the pure silk industry has started a national publicity and sales promotion campaign called "The Silk Parade," climaxing in "silk week," beginning in New York September 10 and throughout the rest of the country September 17. Further activities to advance the cause may follow.

The International Silk Guild, with offices in New York, was organized early in the summer to handle the whole promotion campaign, with the assistance of the Blaker Advertising Agency. It has placed its first advertising schedules—July, August and September insertions in trade papers of nearly every field using silk, and one or two insertions each in August and September women's magazines such as *Harper's Bazaar*, *McCall's*, *Good Housekeeping*, *Woman's Home Companion*, *New Yorker*, *Chicagoan*, and *Junior League Magazine*.

The Guild has laid its plan for "The Silk Parade" before stores everywhere, explaining its promotional ideas, dealer helps, radio tie-ups and window displays. Four days after the initial letter of announcement went out in mid-July the Guild had received 400 store inquiries for further information. It expects widespread cooperation.

R. D. Jenkins, vice-president of the Guild and its managing director, told SALES MANAGEMENT the Guild's activities are backed by no huge fund, but that there is a "reasonable amount of financial support from raw silk sources and from many manufacturers." He said that the Guild is "not trying to revolutionize the industry," but to arouse the trade to the importance of pure silk to the trade itself, and to stimulate consumer interest. If a modest and reasonably effective job is done this Fall, support



Paolino Gerli
President, International Silk Guild

for the continued campaign will grow naturally. Paolino Gerli, of the raw silk importing house of E. Gerli & Company, New York, is president of the Guild. Mrs. Wilma Soss is its publicity director.

General promotion for pure silk has been running in Europe for six months. An increase in style interest and in silk sales is reported. The campaign here thus becomes part of a world-wide movement on the part of silk producers and distributors.

In this country one of the big problems faced by the Guild is how to handle its silk promotion in such a way that it will not be directly competitive with rayon. Practically every old-line silk manufacturer has shifted largely to rayon. But some of the Stehls and Cheney's of the industry are members of the Guild, supporting the campaign in the hope that pure silk may win back its legitimate share of markets in which rayon suffers certain inherent handicaps.

Cartoon Testimonials in Ripley Style Up Boston Brewery Ale Sales

A newspaper advertising campaign that has brought a brewery up to capacity production and has increased the sales volume of one of the company's brands (that one featured in the advertising) from a poor third, in relation to the other brands of the company, to nearly five times the volume of any other brand—all in less than four months—is the record established by Commercial Brewing Company, Charlestown, Massachusetts.

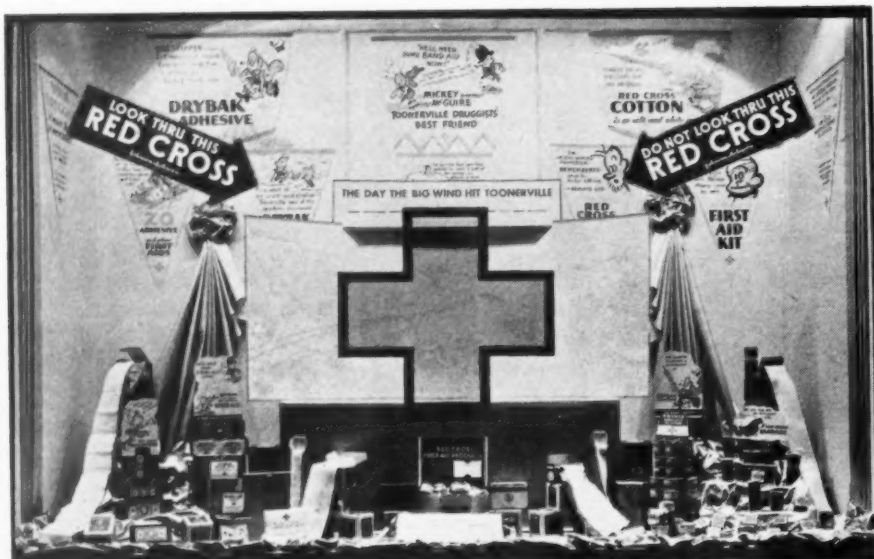
The campaign is designed around the famous Ripley "Believe it or Not" idea. In size and the general make-up the advertisements are much the same as the Ripley cartoons. In Boston's tabloid the advertising carries the heading: "BELIEVE IT OR NOT" (and in smaller capitals) "WITH APOLOGIES TO RIPLEY." This paper also carries the Ripley cartoon. In the other Boston newspapers the ad is headed "THE OLD MASTER SAYS —," the old master being Fred Slosson, master brewer of years' standing at the Commercial plant.

A casual glance would give the impression that the advertising is of the cartoon type. In one respect it really is not: The drawings are all as nearly perfect likenesses of the persons involved as the artist, Harold Kolb, can make them.

The advertising is a mild application of the testimonial motif, plus factual information about the brewery or the product. E. F. Leland, advertising manager, says that not one penny is ever paid for these testimonials, although they come from such well-known figures as Joe Cook, Doctor Rockwell, Clyde Beatty, Jim Londos and Fred Hoey.

A new advertisement appears each week, and on a staggered schedule, so that it appears almost every day in some Boston newspaper. The campaign is now in its fourth month and no date is set for its termination; in fact, according to Mr. Leland, the schedule will run on indefinitely.

When the campaign opened the brewery was operating at less than capacity and Old India Pale Ale, the brand featured almost exclusively in the current campaign, was running a very poor third in sales volume. Now the brewery operates at full capacity and Old India Pale Ale not only leads its three other brands—Millionaire's Club Beer, Old Homestead and Boston Stout—but is showing close to five times the volume of sales of its nearest opponent.



Seen through the plate glass, the Fontaine Fox cartoons look one way; viewed through the big red cross the humorous Toonerville characters are in different poses, many of which tie up with the use of some J. & J. item. Thus does J. & J. put on a show that causes neck-eranings in front of drug store windows.

How J. & J. Get Dealers to Team Window and Counter Displays

CURRENT issues of drug trade papers carry advertisements of a new "Eye Deal" merchandiser sponsored by Johnson & Johnson. Druggists are offered a counter display containing an assortment of fast-selling first-aid items, the cost of which is \$8.15—this being the cost of the goods only. If a druggist buys this assortment, he can, by filling in an application, obtain one of the new "Toonerville" window displays. The company hopes to place 10,000 of these before the end of the year.

J. & J. have given a lot of thought to this matter of display. They have tried and tested and researched. They do not claim to know everything about the subject, but they have at least won the support of dealers to a remarkable extent—the current Ross Federal survey proves this. In this survey—to be reported fully in the August 15 issue—SALES MANAGEMENT had Ross men ask a group of Ohio druggists what manufacturers they liked best to deal with, and why. J. & J. were frequently named, and they received under the "whys," more votes for effective window display than any other drug manufacturer.

We asked J. & J. and their advertising agency, Frank Presbrey Company, to tell us more about the company's display policy.

Display, we learned, is no red-headed stepchild in this firm's sales department. It's almost accurate to say display *is* the sales plan. Careful checking has shown J. & J. that a druggist's sales on the company's first-aid line can be increased approximately 40% if he puts in a good counter display. More important, if he ties up with that a good window display, sales can be *doubled*. So J. & J.'s present efforts are directed along the line of getting dealers to merchandise with both selling aids.

Getting display for a line of first-aid products is fraught with difficulty. Whatever is done has to be unquestionably ethical according to the standards of the medical profession. Purchases spring almost wholly from necessity—the "prevention" idea is a gold-plated one in theory, but it just doesn't work out well in practice. If left to their own devices, druggists will tuck these products away on shelves or in drawers. Too many other items are competing for counter space.

Years of experience studying the wants of the retailer has shown Johnson & Johnson that their most valuable asset is the red cross which identifies their line. This emblem carries with it a certain atmosphere and certain implications which the better druggists like. In spite of the fact

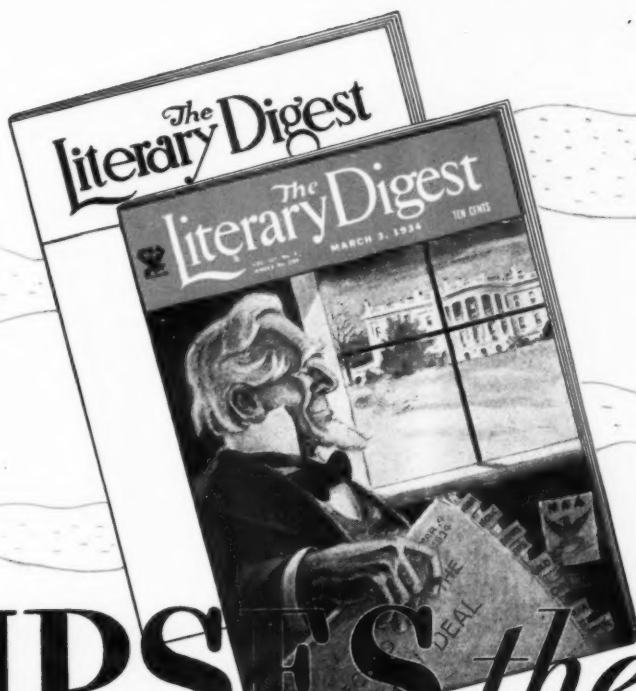
Why do Johnson & Johnson get so much valuable display space in dealers' windows? Perhaps it's because they give retailers not only attractive materials for window use, but with them they offer a carefully thought out and carefully tested re-selling plan.

that many of them have large and thriving soda fountain businesses, rental libraries, and other extra-drug departments, they want to be known
(Continued on page 117)



This counter stand at point of purchase goes hand in hand with the window exhibits which boost sales for first-aid necessities.

SALES MANAGEMENT



ECLIPSES *the* OLD

Lane Bryant helps conduct a comparative test — and look what happens!

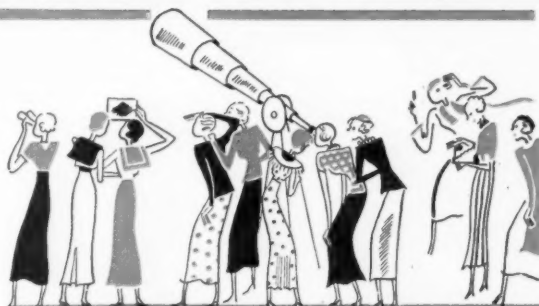
LANE BRYANT is hard-boiled about advertising media. Either a publication gets results — *cash* results — or off the list it goes.

To check the effectiveness of the *New DIGEST* (one year old this month) against the old, we asked Lane Bryant to cooperate. A check-up of 500 women who responded to *DIGEST* advertising in 1934, plus Lane Bryant's own sales records, revealed these rather startling facts:

- 1 The cost of the advertising space greatly decreased.
- 2 The cost per inquiry is 22% less.
- 3 In 1932, 8% of the women inquiring became customers. In 1934, 27% became customers.
- 4 The size of the average initial order is 146% bigger in 1934!

All of which pretty conclusively proves that *THE LITERARY DIGEST* — an excellent medium for results in 1932 — is producing even better results today at *decreased rates!*

On food products, clothing, articles for the home, *THE DIGEST* is naturally a good medium. We mail 85% of all our circulation direct to the home of the subscriber and tests of reader interest taken regularly over a period of years show the ever-increasing interest of women in the news of the day. *THE LITERARY DIGEST*, 354 Fourth Avenue, New York.



Literary Digest

Two More Slants on Handling Split Commission Arguments

(The problem of making an equitable settlement of credits in cases where two or more men have worked on one order is one that has made trouble for almost every sales manager. How a group of important companies have solved it was explained in a previous issue of SM, in a symposium entitled "How 13 Firms Head Off Split Commission Scraps." The procedure of two more companies is described below, and the unanswered problem of a third is presented for the consideration of our readers.—THE EDITORS.)

By H. D. Ogden

*Bull Dog Electric Products Company,
Detroit, Michigan*

We have, in general, four factors which govern the distribution of commissions:

1. Territory in which the material is shipped.
2. Territory making the original estimate.
3. Territory in which architect, engineer or owner-purchaser is located.

Obviously, items 1 and 2 are very closely related and in most cases are considered as one, so that in reality we have but three factors to consider in the distribution of commissions.

Perhaps the division with which we are most familiar in our particular case is the fifty-fifty distribution. This allocation is based on 50 per cent to the salesman in whose territory the order is placed, and 50 per cent to the salesman into whose territory the material is shipped. This distribution, in the majority of cases, is clearly defined.

As a deviation from the above, let us suppose that the salesman securing the order has also been instrumental in having our products specified for the customer's general use and perhaps has negotiated the whole transaction. In such instances we feel that he is entitled to an additional compensation for his efforts, and we allot 75 per cent to him and 25 per cent to the salesman into whose territory the material is shipped.

Another distribution of commission which sometimes becomes somewhat involved is that encountered on orders which we secure from concerns whose activities are more or less scattered, such as railroad construction projects, chain store business and large manufacturers of national scope.

In these instances we might find the architect and engineers located in one city. These individuals must be contacted for approval of our material. The purchasing department might be located in another city; the main office, having the final decision, in another,

and the job itself located in a fourth.

We try to make an even distribution of 25 per cent to each territory involved, but on jobs of these proportions there are times when it is difficult definitely to decide just where the individual activities of one salesman end and another begin. However, we try to be fair in our allocation

Another Problem in Split Commissions: Can Anyone Help?

EDITOR SALES MANAGEMENT:

Your recent article on split commissions struck a very responsive chord in the heart of our sales manager. Our problem must be peculiar because none of the examples given seems to cover our case exactly. Do you have anything that will apply to the following:

In the same territory we merchandise through two different selling agencies—

(a) Through a direct salesman we merchandise high priced technical material.

(b) Through a large wholesale house doing a state-wide business we merchandise a more staple line.

Incidentally both selling agencies do a satisfactory volume of business, and both sell an equal amount. In this situation, regardless of personalities and sentiment, what should we do on the following:

If we give the agent exclusive on one line, should we give the jobber exclusive on the other? The agent, of course, works for us only, and offhand it seems as though he should be allowed to sell our entire line, but should he be?

If the jobber sells some of the direct man's exclusive material, would a split commission be fair, one-half to the jobber and the other half to the direct salesman?

Or would it be even more fair if we were to split the following:

Full discount to the direct agent, and a partial discount to the dealer—said partial discount to be borne by the house in order to keep peace.

Our hope is that you have communications from several firms who have a similar problem to ours, and that you will be able to help us.

SUBSCRIBER.
Chicago, Ill.

tions and place the credit where it belongs.

On the whole, we have found the above-described methods of splitting commissions particularly adaptable to the conditions which arise in the distribution of our products, and at the same time we believe it is equally fair to our salesmen. Of course, when a man secures an order from a jobber for material that is shipped out of his territory, and he must share 50 per cent of his commission with another salesman who, perhaps, is not even aware of such an order until he receives a notice of shipment, naturally it seems that the scales of justice are a little out of adjustment. On the other hand, the salesman into whose territory the material is shipped might be called on for some assistance by the customer, or for any other services he might render. And, again, the law of averages usually steps in and balances any apparent inequalities.

By D. A. Brice

*Protectograph Division,
The Todd Company,
Rochester, New York*

We are sending for your information a section from our Territorial Rule and Commission Book, which will give you in detail the procedure that we use in handling territorial sales.

Of course, any rulings which are made are not infallible. They are, however, the best that the combined experience and wisdom of the Home Office, assisted by members of the sales force, can formulate. We try to make our salesmen remember that we are all members of the same family and that our business should be conducted on a give-and-take basis. Further, we continually emphasize the fact that only by being fair, liberal, friendly and charitable, one to another, can our work of selling Todd equipment be carried on in the most effective and profitable manner to all concerned.

The Todd Company has a rigid set of rules governing both salesmen's reports on business deliverable outside any man's territory, and payment of commissions on such business.

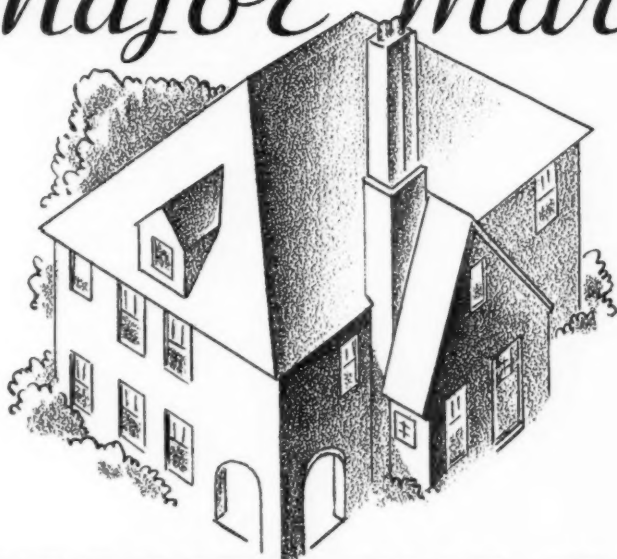
One set of rules applies to machines sold outright, another to sales involving trade-ins, and a third to machines leased but not sold. Special provision is also made for handling of government business and machines sold for export.

On all machines except the "Personal" model, sold outright, commissions are split in accordance with the following plan:

A salesman who is working on a

SALES MANAGEMENT

A Major Market



FOR PRODUCTS THAT SELL TO THE HOME

The
Indianapolis
**HOME MODERNIZATION
MOVEMENT**

makes this an even more
profitable market for
home products

NOW

The home and building page, now appearing every Saturday in The News in co-operation with the national home modernization movement, offers advertisers of home products a perfect tie-up for their advertising.

Indianapolis has long been known as a city of homes and the Indianapolis Radius as a large and profitable home market. Its more than 2,000,000 residents are hospitable, home-loving folks . . . more typically American, perhaps, in tastes and habits, than any other similarly-sized, compact group to be found in the land. The sort that have a fine appreciation of the amenities of life . . . that take great interest in the substantial things that make for a more pleasant, comfortable and convenient living. Here home interests dominate, and home needs get a large share of the family income.

If you have a better home heating plant, an improved washing machine, a new convenience for the kitchen—or any product that will add to the comfort of home living—sell it in the Indianapolis Radius.

A great home newspaper, The News, with its more than 145,000 circulation, 97 per cent of which is home delivered, is capable of cultivating this market with exceptional economy and profit . . . ALONE.

THE INDIANAPOLIS NEWS

SELLS THE INDIANAPOLIS RADIUS

New York

Chicago

Dan A. Carroll, 110 E. 42nd St.

J. E. Lutz, 180 N. Michigan Ave.

AUGUST 1, 1934

[113]

branch office, plant, factory or subsidiary of a concern which has its home office and purchasing power in another city or territory and who notifies the Sales Department in writing that he is actually and actively working on the account and desires the assistance of the Todd Branch Office in the other city or territory; and the Todd Branch Office in the home office city of the prospect concern obtains a signed order for a Todd machine, the salesman who reported the prospect to the Sales Department will be entitled to 60 per cent of the salesman's commission when the account is paid. And the salesman in the home office city who obtains the signed order and sends it in to Rochester as a territorial sale will be entitled to 40 per cent of the salesman's commission when the account is paid. This same rule applies when two salesmen who are operating in different, restricted sections of the same Todd Branch Office territory work in the same manner as described above, on a given sale. (Exception: if the salesman who has asked for and received such assistance from the Todd Branch Office in the home office city of the prospect is able to obtain a local purchase order at the branch or subsidiary of the prospect concern he shall receive 75 per cent of the commission and the salesman in the home office city of the prospect concern receives 25 per cent.)

Making Cooperation Pay

A salesman working under the conditions outlined above who does not specifically ask for assistance of the Todd Branch Office in the home office city of the prospect, will receive 40 per cent of the commission when the account is paid, if the sale is consummated by a salesman in the branch office in the home office city of the purchasing concern, but the latter obtaining an official purchase order from the prospect's home office. And the salesman in the home office city who does obtain the signed official purchase order will receive 60 per cent of the salesman's commission when the account is paid. The same rule applies when two salesmen who are operating in different, restricted sections of the same Todd Branch office territory work, in the same manner as described above, on a given sale.

Another set of rules governs men working on a branch office, plant, factory or subsidiary of a concern which has its home office in another city or territory, but where the branch has or is given the purchasing power (so that the salesman requires no assistance from the Todd Branch Office in the

home office city). The salesman then will, if the official purchase order is signed in his own territory, receive the entire salesman's commission, when the account is paid, if the machine is for use in his own territory. (Exception: if a salesman in the home office city has in writing, to the Sales Department, requested assistance from the Todd Branch Office in the branch office city of the purchaser, then the salesman in the home office city shall receive 40 per cent of the commission and the other salesman 60 per cent.)

If the branch office, plant, etc., on which a Todd salesman is working does not have its own purchasing

power, but if the salesman is able to get an official purchase order transmitted from the home office and purchasing power direct to the branch office and thence to him, then he receives 75 per cent of the commission, and the salesman in the home office territory of the concern in question, 25 per cent.

On the other hand, the salesman located in a territory which contains the home office of a concern which maintains branch offices, plants, etc., in other territories than his own, is equally protected in his rights to a fair share of the commissions on his sales.

Nudists in Sheer Fury Will Fight Paris Garter "Nothing on" Drive

A challenge against Nudism which A. Stein & Company, maker of Paris garters and suspenders, Chicago, has just thrown in a booklet to 35,000 executives in the clothing and men's furnishings business, and which presumably will be emphasized in a \$1,000,000 advertising campaign by the Stein company this fall, will be met in that event by International Nudist Conference with a boycott of Paris products, Paul N. Rothe, general manager of the *Nudist* magazine and a director of the conference, tells SM.

At concurrent A. Stein sales conventions in Chicago, New York, Los Angeles and Toronto recently, "Nudism" was a major topic. At these conventions, reports Joseph M. Kraus, advertising manager, plans were announced for "the most unusual and daring, as well as the most extensive, advertising and merchandising campaign in the history of the company." The campaign will feature the new "miracle elastic" Paris garters.

In the booklet, which appears as a letter from Mr. Kraus to Sigmund Stein, president of the company, and which has been sent to the executives accompanied by a letter from Mr. Stein, it is emphasized that "Nudism is the challenge which barbarism has hurled at civilization. It is a destructive force—morally, socially and certainly economically—and forces of destruction always operate with lightning speed, compared with the snail-like progress of constructive forces.

"People's minds have been fertilized with Nudist ideas to such a degree," the booklet-letter continues, "that unconsciously they are ready to yield to the slightest suggestion that one item of apparel after another be discarded. . . . Men going without

hats. . . . College men discarding neckwear. . . . Men going without garters. . . .

"Manufacturers of other apparel items, who are in a position to do so," Mr. Kraus concludes, "should formulate whatever plans seem most expedient to them in promoting the sale of their products in a manner that will adroitly counteract the vicious challenge of Nudism."



'Challenger Kraus Defender Rothe

When Mr. Rothe and other directors of International Nudist Conference, 45 West 45th Street, New York City, read the booklet and the announcement of the A. Stein campaign, they decided that something drastic should be done about it. Messrs. Stein, Kraus, et al., they thought, had cockeyed notions about the effect of the Nudist movement on the clothing business. Without capitalizing the "n" in nudism, Mr. Rothe dispatched a wire to Mr. Stein, which said, in part:

"We emphatically protest against your unwarranted, unfair and vicious attack on nudism in your trade booklet and as a theme in your reported consumer advertising campaign this Fall. It is a cheap trick, fashioned wholly out of selfish, commercial avarice, and without one shred of sincerity and fair



A MANUFACTURER WHO CHALLENGES CONTRADICTION

I MAKE this unqualified statement . . . I believe that New York retail dealers, particularly the successful chain operators, know far better than anyone else how to sell food products to New York housewives.

These men live right in the market . . . they get their views, not from reports, but from their own cash registers. They can see, day after day, exactly what makes merchandise move fastest; exactly what form of advertising is most productive.

AUGUST 1, 1934

That is why I believe that food-product manufacturers should study the methods of their retail outlets . . . and follow those that are most successful.

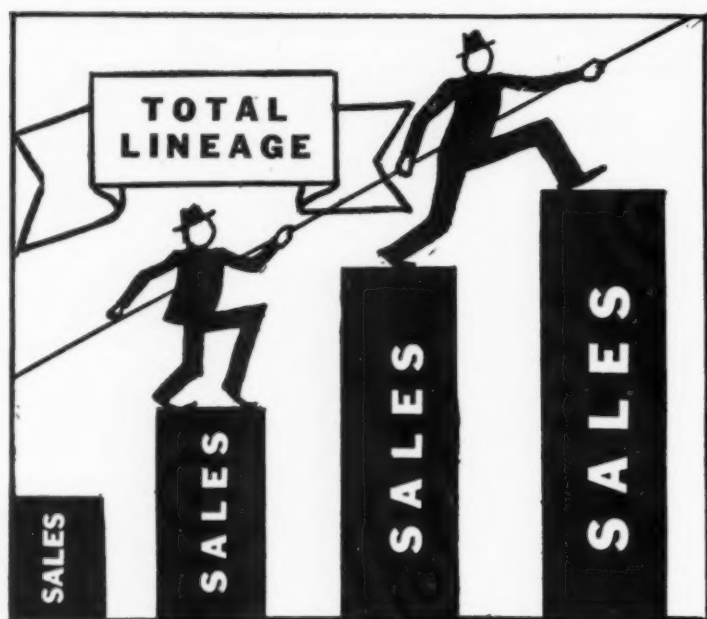
For example, you will find that, over a period of 12 years, the leading retail food stores (both chain and independent), experimenting with advertising in the different New York newspapers, have consistently placed the bulk of their copy in the New York Evening Journal . . .

And that they are now, *more than*

ever before, depending upon the patronage of the 600,000 families who regularly read the Journal. During the first 5 months of this year, the Journal actually carried 38.2% of all retail food advertising in New York . . . which is a 37.3% increase over the same period last year.

That is certainly a definite indication of the *present trend* of food-product advertising in New York . . . all the proof that anyone should require of the tremendous power of the Journal to sell merchandise.

[115]



GUIDE LINES

ADVERTISERS can depend on total lines of advertising published as one true guide line to the sound selection of effective advertising media. They reflect the sales-producing power of any newspaper.

Apply this practical measure to Philadelphia newspapers! Which are the leaders in advertising lineage during the month of June?

- (1) In the morning field—*The Philadelphia Inquirer leads.*
- (2) In the evening field—*The Evening Public Ledger leads.*
- (3) In the Sunday field—*The Sunday Philadelphia Inquirer leads.*

It is logical to assume that this leadership is built upon the solid basis of known results. Why? Probably because the exceptional editorial features of these newspapers have created a more alert and genuine reader interest which in turn has created greater reader responsiveness.

These newspapers devote more space to news and features of specific interest to men and women than any other newspaper in their respective fields. Thus advertisers, appealing to these same interests, tell their stories at the time of readiest acceptance, with the stage set for direct response.

THE GREATER
Philadelphia Inquirer
 DAILY CIRCULATION OVER 275,000 SUNDAY CIRCULATION OVER 600,000
THE
EVENING PUBLIC LEDGER
 CIRCULATION OVER 200,000

play. What do you or Mr. Kraus know about nudism? Why don't you try it before you set yourselves up as censors of the movement? We shall be glad to furnish guest cards to any Chicago or New York nudist organization you designate, whenever you are ready.

"Members of nudist organizations," the telegram points out, "spend an average of twelve hours per week in nudist practice at their camps. During the remainder, of the week they are engaged in making a living, conventionally clothed, even as you and I. They wear clothes and hats and garters and shoes. Why not attack the millions who go bathing at Coney Island each day without Paris garters? Why not attack the entire population who sleep without Paris garters?"

"You refer to nudism as a destructive force. Why not use constructive forces in your advertising and advertise to nudists, who are 'body and health conscious' to a degree which makes them your best prospects for a garter that has 'no metal to touch you'?"

"Switch to Boston!" Urged

"If you persist in this ridiculous attack, the most imbecile of all advertising imbecilities on record," the conference warns, "our only recourse will be a standing editorial and advertisement each month for a year in the *Nudist* magazine, 100,000 copies per month, protesting against your campaign and emphatically urging a boycott of your products.

"Five or six directors of the International Nudist Conference have already switched from Paris to Boston."

"Switch from Paris to Boston," in fact, Mr. Rothe confides to SM, might be the theme of the proposed boycott campaign. At this writing, though, he has received no acknowledgment from Mr. Stein to his wire.

However one may feel toward the nudist movement, Mr. Rothe feels, its adherents are not to be sniffed at as a market. There are 280 nudist groups in the United States affiliated with the conference. They embrace 32,000 members. In somewhat more than a year under Mr. Rothe's management, the *Nudist* was changed from a privately circulated to a "general" magazine. Circulation in this time has grown from 20,000 to 100,000. Profits are devoted largely to combating legal difficulties over its sale which continually arise in various cities.

Mr. Rothe, incidentally, has been in publishing 22 years. He used to manage the *American Builder* and the *American Landscape Architect*. Other conference directors are prominent in various fields of endeavor.

SALES MANAGEMENT

How J. & J. Get Dealers to Team Window and Counter Displays

(Continued from page 108)

as druggists—not department store merchants. A display of pharmaceuticals and sanitary goods and first-aid items in conjunction with a giant red cross gets this story over to consumers in the flash of an eye. Because of the druggists' affection for the emblem, the cross has grown to a larger size in each succeeding year's display materials. The newest treatment of the trade-mark—the one used in the window which is sent to purchasers of the "Eye Deal"—is unique. Made of a transparent material called Kodaloid, it is mounted in front of a large drawing of Fontaine Fox's widely known "Toonerville Folks." By trick coloring, a passer-by who looks through the red film at the same picture sees a transformed image—all the Toonerville folks have met with disaster, major and minor, and all are calling for some Johnson & Johnson product.

When tried out in several stores in New York, this display proved to have unusually strong pulling power—crowds gathered in front of the windows at all hours of the day to get an opportunity to look through the giant red cross to see what their cartoon folks were up to.

Getting Jobber Cooperation

Since many of the smaller communities are not covered by Johnson & Johnson salesmen, it was necessary to plan the "Eye Deal" with the wholesaler in mind. J. & J. provided an attractive three-color folder in the standard size of jobber catalogues, describing the new deal; wherever possible a J. & J. man presented the sales story at a meeting of the wholesale salespeople. He pointed out that through the unit-packing, the jobbers and their men could handle the new deal with a minimum of trouble—no gathering up of odd units to be packed for the order, nothing but one unit to bill. Furthermore, since this assortment, if purchased, would represent a larger amount of business than any jobber's salesman would get on straight fill-in orders, it was much to the jobber's advantage to see that the deal was at least favorably called to the attention of dealers.

Packed with each assortment is the request for the window display, which the dealer fills in and returns, not to the jobber, but to the company home office, from where shipment is



The NEW Model 12 * DICTAPHONE

If you dictate anything to secretary, stenographer, or dictating machine . . . letters, memoranda, instructions, speeches, anything . . . you have a treat in store for you.

The NEW Dictaphone . . . Model 12 . . . has the NEW Automatic Monitor.

You change your mind often when dictating? . . . The Dictaphone Monitor takes care of it.


You want neat, well-spaced letters brought back for you to sign? . . . The Dictaphone Monitor insists upon it.

You want ease and comfort while dictating? . . . The Dictaphone Monitor gives it to you. Our Automatic Monitor is the newest and most useful development ever made on the dictating machine.

It will change your whole idea of dictation methods.

We would like to send you a description of this Automatic Monitor and other new developments on our new Model 12.

Call us or use this coupon—You will find our brochure "Progress" mighty interesting reading.

DICTAPHONE SALES CORPORATION 
420 Lexington Avenue, New York, N. Y.

SM

Send me your "Progress" Brochure.

Name

Company

Street City.....

* The word DICTAPHONE is the registered Trade-Mark of Dictaphone Corporation, makers of Dictating Machines and Accessories to which said Trade-Mark is Applied

AUGUST 1, 1934

[117]

made direct. The jobber thus has no detail work of any kind in connection with the display.

"We have only one display a year," an executive told SALES MANAGEMENT, "but we make that one sturdy and of good quality. We provide a strong packing case which can serve as a storage place for the display between times of use. Last year we made a special check-up in June to determine to what extent our displays were being used more than once. We were happy to find that even though the year was but half gone, many

druggists had already used the display two or three times."

First announcement of the "Eye Deal" was made to the trade in June issues of a large group of trade publications. Business papers are intensively used by Johnson & Johnson, and such papers as *American Druggist*, *Drug Topics*, *Druggists Circular* and *Chain Store Age* will be used throughout the remainder of this year to widen distribution of the new display unit. To tie up with the Fontaine Fox window, small size teaser advertisements picturing various Toon-

erville folks will be used, usually two to a paper, in addition to the regular display advertising.

"Out of 60,000 druggists," the J. & J. man pointed out, "there are about 30,000 worth-while outlets. If, of these, we can persuade 10,000 to use our counter and window display in conjunction at least once during the year, we'll feel we have done a worth-while job."

"The reason that we tie up the request for the window display to the delivery of the counter container is this: Our men are constantly trying to show dealers how much added efficiency a counter display has when backed by proper window display. According to our present plan, a dealer receives and puts up the 'Eye Deal' merchandiser. If the line hasn't had proper display in his store, he is bound to enjoy some increase in sales. Then, when his window display comes along and is put in, he should begin to hear the cash register jingle just about twice as many times as before. If he actually sees this happen, as it happened in the tests which we ran to establish the increase figures we are using, then he'll be a better merchant from now on—not only for Johnson & Johnson, but for other drug manufacturers as well."

MORE JOBS MORE MONEY MORE SALES ..

That is the present condition in AKRON. Six months' report of four largest rubber companies gives payroll over twice that of corresponding period last year. Another concern reports payroll jump of 90%. According to Fourth Federal Reserve District report employment shows gain of 39% in June, 1934, over June, last year.

Advertise where there are more people working with more money to spend. Advertise profitably in

AKRON BEACON JOURNAL

Member A.B.C.—A.N.P.A.
Major Market Newspaper, Inc.
Represented by Story, Brooks & Finley

Ohio Grocers Give Manufacturers Cheers —and Bronx Cheers

(Continued from page 99)

Brands, Weidemann, Janszen, Reid, Murdock & Company.

Credit Relations: H. J. Heinz Company, Procter & Gamble Company, Kellogg Company, Wm. Edwards, Cincinnati Grocery Company, General Foods Company, Weidemann, Campbell Soup Company, Beech-Nut Packing Company F. H. Leggett, Janszen.

Sales Representative: H. J. Heinz Company, Kellogg Company, General Foods Company, Procter & Gamble Company, Standard Brands, Janszen, Cincinnati Grocery Company, Armour & Company, Lever Bros., Wm. Edwards.

Quality of Product: H. J. Heinz Company, Procter & Gamble Company, Wm. Edwards Company, General Foods Company, Standard Brands, Kellogg Company, Weidemann, Campbell Soup Company, Reid, Murdoch & Company, Cincinnati Grocery Company.

Attractiveness of Product: H. J. Heinz Company, Procter & Gamble Company, Standard Brands, Kellogg Company, General Foods Company, Cincinnati Grocery Company, National Dairy Products Company, Lever Bros., Armour & Company, Wm. Edwards Company.

Magazine Advertising: H. J. Heinz Company, Procter & Gamble, Campbell Soup Company, General Foods Company, Kellogg Company, Lever Bros., Standard

SALES MANAGEMENT

CLEVELAND'S FOOD FACTS

ALL NEATLY CHARTED

CLEVELAND, like most metropolitan centers, has its consumer peculiarities. But in Cleveland those peculiarities are known, tabulated and neatly charted for the guidance of any executive interested in food product merchandising in this territory.

The Second Cleveland Press-P.T.A. Pantry Inventory covers every branded food product distributed in the market and has become a source book for food men throughout America.

Complete information on any phase of the P.T.A. inventories and other Cleveland Press research projects are available from any Scripps-Howard advertising office.



SPECIAL CLEVELAND RESEARCHES RECENTLY COMPLETED

A few copies of each of the following reports of special investigations recently conducted by The Cleveland Press are still available at no cost to interested executives

1. An Inquiry Into Shelf Prices and Supplementary Information on Toilet Soaps, Chips and Flakes.
2. Two Reports on Automobile Buying Habits in Greater Cleveland.
3. Chocolate Health Drinks in the Cleveland Market.
4. "Liquor by the Glass."

A new research on the ten-cent cigar market is now ready, and is to be followed by a supplementary investigation of retail cigar outlets.

The Cleveland Press

A Scripps-Howard Newspaper

NATIONAL ADVERTISING
DEPARTMENT OF
SCRIPPS-HOWARD
NEWSPAPERS
230 PARK AVENUE, N. Y. C.



MEMBER OF THE UNITED
PRESS : : : OF THE AUDIT
BUREAU OF CIRCULATIONS
and of
MEDIA RECORDS, INC.

CHICAGO : SAN FRANCISCO : LOS ANGELES : DALLAS : DETROIT : PHILADELPHIA : ATLANTA

AUGUST 1, 1934

[119]

47% Increase in employment.
43.1% Increase in payrolls.
33% Increase in new car sales.
65% Increase in value of construction contracts awarded.

A worth-while market
sold through ONE
newspaper . . .

SAWYER • FERGUSON • WALKER CO.
NEW YORK • CHICAGO

His original professional training was in accounting. He practiced it successfully, later applying it in general administrative and sales work for several employers.

He knows the production side. He headed a firm of industrial engineers.

And he knows how to sell, and to make others sell. In eighteen years he managed eight sales organizations. In one he built sales from \$1,900,000 to nearly \$5,000,000 within two years. . . . For another company he hired, trained and supervised 250 salesmen, and did such a swell job of it that SALES MANAGEMENT ran two articles about his methods which brought scores of enthusiastic letters from subscribers.

His experience qualifies him for either general administrative or sales managerial work. He has recently returned to this country from a restful five-months' cruise, and is looking for a real opportunity to apply his talents. He is accustomed to making big money and is so sure of his ability to command it on the basis of results that he will not hold out for a huge starting salary.

On the personal side: He is 39, single (widower), Christian, healthy, energetic, enthusiastic, and likeable. Educated at Columbia and Pace Institute.

The undersigned will be pleased to arrange interviews with this man.

PHILIP SALISBURY,
Executive Editor,
SALES MANAGEMENT,
420 Lexington Avenue, New York

(The relationship which the pro and con votes in each group bear to the grand total of reasons advanced by Ohio dealers for liking or disliking manufacturers.)

	<i>Grocers</i>	<i>Hardware</i>	<i>Jewelers</i>
Price Policies	29.7%	33.2%	24.0%
Credit Relations	8.5	7.0	7.1
Sales Representatives	8.4	9.0	4.8
Quality of Product	16.4	20.4	23.5
Attractiveness of Product	4.4	4.3	8.9
Magazine Advertising	8.8	5.9	11.3
Newspaper Advertising	5.6	3.6	3.3
Radio Advertising	4.1	1.1	3.0
Store and Window Displays	4.0	5.2	4.9
Prompt Shipments	5.9	4.9	5.5
All Other	3.6	5.3	3.0

See text on pages 98 and 99 for comment on this tabulation.

Brands, National Dairy Products,
Armour & Company, Libby, McNeil &
Libby.

Newspaper Advertising: H. J. Heinz Company, Kellogg Company, Procter & Gamble Company, General Foods Company, Standard Brands, Lever Bros., Armour & Company, Campbell Soup Company, Swift & Company, National Dairy Products Company.

Radio Advertising: Standard Brands, General Foods Company, General Mills Company, Procter & Gamble Company, Armour & Company, National Dairy Products Company, Kellogg Company, Swift & Company, Wm. Wrigley Company, Beech-Nut Packing Company.

Store and Window Displays: H. J. Heinz Company, General Foods Company, Wm. Edwards Company, Procter & Gamble Company, Weidemann, Janszen, Swift & Company, National Dairy Products Company, Armour & Company, Standard Brands.

Prompt Shipments: H. J. Heinz Company, Kellogg Company, Weidemann, Procter & Gamble, General Foods Company, Loose-Wiles, Wm. Edwards, Cincinnati Grocery Company, National Biscuit Company, Campbell Soup Company.

Two hundred and twenty-five druggists in the eight Ohio cities answered the same questions as are described in this study of grocers' likes and dislikes. They mentioned 155 manufacturers for either praise or censure. One manufacturer received 67 favorable mentions against 2 unfavorable. Another was mentioned by more than a third of the druggists but the unfavorable mentions equaled more than 80% of the total. The August 15 SM will contain the complete story.

For the issue of September 1 we have scheduled an *inventory* survey of non-intoxicating and intoxicating beverages. Ross Federal "sampled" hundreds of refrigerators, lockers, shelves.

BACARDI RUM, a SCHENLEY importation, goes on pleading for proper mixing of the Bacardi cocktail. In case you do not yet know, it consists of one jigger of Bacardi, juice of half-green lime, one bar-spoonful granulated sugar, same being well shaken in cracked ice.

HUDSON AND TERRAPLANE challenged "any full-size car to climb the toughest hill faster in high gear; to accelerate faster from a standing start and to go further on five gallons of gas. Acceptance of challenge permits

Three Cheers for you
Bill Yule and your Ford Dealers
YOU'RE GOOD SPORTS—but—

HUDSON AND TERRAPLANE SWEEP CHALLENGE TESTS

[illegible][illegible]

OUT THERE WHERE THE OTHERS?
Again we overestimate and think you tell us
great competition. But where were the others?

Business With US Means Pay More in 0.47 Seconds

WINNERS GO OVER THE TOP OF CROWN HILL.

Lowest Prices . . . HUDSON \$685 . . . TERRAPLANE \$

W. F. GROOM MOTOR CORPORATION
Distributor of Terraplane and Buick
1296 MAIN ST. AT BRYANT

And these Nations and Territories salute:

GUAYMALA GUAYMALA, GUAYMALA	GUAYMALA GUAYMALA, GUAYMALA	GUAYMALA GUAYMALA, GUAYMALA
GUAYMALA GUAYMALA, GUAYMALA	GUAYMALA GUAYMALA, GUAYMALA	GUAYMALA GUAYMALA, GUAYMALA
GUAYMALA GUAYMALA, GUAYMALA	GUAYMALA GUAYMALA, GUAYMALA	GUAYMALA GUAYMALA, GUAYMALA

1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific requirements of the task.

Hudson and Terraplane won . . .

SALES MANAGEMENT

H & T to publish the results of all tests, with names of competing cars in local newspapers and in window displays. Three impartial judges supervise the tests." The challenge was accepted immediately by a Buffalo Ford dealer. The test was made, but as the reproductions of ensuing newspaper ads show, the organizations differed in their interpretation of the results.

EASTMAN KODAK has adopted a practice that is a hallowed tradition of the automobile industry: Trading in an old model as part payment for a new. "Of course you have an old camera that still works," explains Eastman, "but you could have a lot more photographic fun with an up-to-dater. Let us see what we can offer you for it as part payment for a 1934 model."

The DELCO PRODUCTS CORPORATION, division of General Motors, is using advertising to persuade the public to seek Delco motors in connection with the motor equipment of whatever make of oil burner is being purchased.

ZONITE is now advertising its ability to keep feet in good working order. The advice of the typical golf pro is utilized in this connection. Zonite is promoted not only as a means of banishing athlete's foot, foot odors and dead skin between the toes, but also as a "tonic for tired, tender feet."

TESTED DIET FOODS fires a round of grape-shot into a lot of competitors by saying, "Why take chances with salts and laxatives that might ruin

health? Take off fat with Tested Diet Foods (flour, chocolate dessert, salad dressing, broth, bread, bran cereal, jelly), continues the copy, which "taste like any other delicious foods. But they contain reduced quantities of starch and fats—or none at all."

UNITED AIR LINES, quick to capitalize on the heat waves which have been sweeping most of the country, talks about going to the Century of Progress in Chicago by airplane and refers to this method of transportation as "the quick, cool way to go there."

SAWYER GRAHAM CRACKERS proudly announces "First cracker in America to be certified fresh oven-dated." But the question is raised, "What becomes

of the unsold grahams? Well, if there are any, read what the certificate says on the package. You simply couldn't buy a stale Sawyer graham if you tried." So the curious will have to get a package to find out all about it.

POLAND SPRING WATER has taken up pictorial testimonial advertising. Each advertisement features a snapshot of one individual, such as Frances Magor Cox, well-known young mural decorator. The ads are headlined "Snapshot Testimonials." The ads also refer to sparkling Poland water "in the famous green bottle" . . . with the new red label. The sparkling type with the red label is a comparatively new product.

(Continued on page 127)

City and Suburban Circulation ABC Audit Report for 12 Months Ending March 31

1929	143,214
1930	143,546
1931	144,150
1932	145,747
1933	143,100
1934	144,010

WHY


THE TIMES-STAR IS INDISPENSABLE IN THE CINNATI MARKET

The ABC annual audit of Times-Star city and suburban circulation, from March, 1929, to March, 1934, makes one of the most amazing newspaper stories ever revealed. During these six eventful years the greatest variation in city and suburban circulation was never as much as 2% . . . and 1934 circulation was actually 796 greater than in March, 1929.

These figures reveal a story of reader "solidity" that is rare in the history of newspaper publishing. They explain why the Times-Star leads in Cincinnati in food and drug advertising (as well as in all retail, general and automotive advertising).

CINNATI TIMES-STAR

Representatives: Martin L. Marsh, 60 East 42nd St., New York
Kellogg M. Patterson, 333 N. Michigan Ave., Chicago



1934 Ford V-8
\$590.00
and over

NOT BAD-Bill Groom

..you've got a good car too!

Here are the ACTUAL
COMPARISON TEST FIGURES

Model	Year	Top Speed (m.p.h.)	0-30 (sec.)	0-60 (sec.)	0-100 (sec.)	100-0 (ft.)
1934 Ford V-8	1934	70	12.0	24.0	48.0	120
1933 Ford V-8	1933	68	12.5	25.0	50.0	125
1932 Ford V-8	1932	65	13.0	26.0	52.0	130
1931 Ford V-8	1931	62	13.5	27.0	54.0	135
1930 Ford V-8	1930	60	14.0	28.0	56.0	140
1929 Ford V-8	1929	58	14.5	29.0	58.0	145

The 1934 Ford V-8 is a full-line, modern car with a new 240 cu. in. V-8 engine, 3-speed automatic transmission, 4-wheel brakes, and a new 100-hp. motor. It is the most powerful car ever made in the world. The 1934 Ford V-8 is the most powerful car ever made in the world. The 1934 Ford V-8 is the most powerful car ever made in the world.

The 1934 Ford V-8 is the most powerful car ever made in the world. The 1934 Ford V-8 is the most powerful car ever made in the world. The 1934 Ford V-8 is the most powerful car ever made in the world.

(Before buying any car drive the Ford V-8)

ERIE COUNTY FORD DEALERS

... but so did the Ford V-8!
AUGUST 1, 1934

Markets for Various Products by Income Classes

The figures show the number of people out of every hundred in each income group who buy the product in question.

Product	% of total mrkt. in class "AA" (Incomes over \$10,000)	% of total mrkt. in class "A" (Incomes between \$5,000 & \$10,000)	% of total mrkt. in class "BB" (Incomes between \$3,000 & \$5,000)	% of total mrkt. in class "B" (Incomes between \$2,000 & \$3,000)	% of total mrkt. in class "C" (Incomes between \$1,000 & \$2,000)	% of total mrkt. in class "D" (Incomes under \$1,000)
Women's Shoes over \$10 ...	59	26	(.....15.....)	(.....9.....)		
Men's Shoes over \$10	28	37	26	(.....15.....)		27
Women's Shoes under \$10 ..	13	31	14	(.....25.....)		17
Men's Shoes under \$10	12	18	28	(.....2.....)		
Men's Suits over \$50	47	34	17	(.....29.....)		19
Men's Suits under \$50	11	17	24	(.....10.....)		
Watches over \$25	(.....70.....)		20	(.....31.....)		14
Watches under \$25	(.....23.....)		32	(.....41.....)		
Sterling Silver	39	31	21	(.....21.....)		
Plated Silver	12	19	28	(.....11.....)		
Automobiles over \$3,000 ...	79	(.....46.....)	37	(.....17.....)		
Automobiles, \$2,000-\$3,000 ..	58	31	(.....25.....)	(.....42.....)		
Automobiles, \$1,000-\$2,000 ..	(.....25.....)		33	(.....26.....)		10
Automobiles under \$1,000 ..	(.....18.....)		22	(.....49.....)		11
Paints and Varnishes	(.....18.....)		30	(.....40.....)		8
Electric Washing Machines ..	45	19	19	(.....17.....)		
Electric Vacuum Cleaners ..	24	24	24	(.....22.....)		6
Cameras	(.....25.....)		31	(.....41.....)		3
Life Insurance						
Electric Refrigerators						

To What Extent Do Radio Owners Constitute a Class Market?

BY WALTER MANN

IS radio—accepted as a mass medium—also a class medium of exceptional potency and coverage? Columbia says so, in its most recent study.

Kipling says, in one of his best-known couplets, that the Colonel's lady and Judy O'Grady are sisters under the skin. Columbia Broadcasting System, in its latest study, "Markets in Radio Homes," reverses the process, and proves that the completeness of the mass coverage, so generally conceded to radio, only serves to hide a class "circulation" or coverage of which any of the class magazines, if not all of them put together, should be proud.

Briefly highspotting the facts in the first source of data, viz: the "Vertical Study of Radio Ownership" (a stupendous job, which has the strong written endorsement of the Department of Commerce), we see that radio owners (as of 1930) paid 84% more rent per family than did non-radio owners; that they owned homes that were 79% more costly than their non-radio owning neighbors; that the typical radio family earned 93% more income and contains more consumers, more gainful workers, and more adult individuals; that radio ownership descends like a wedge into the lower-

income levels, narrowing as it goes (see chart on facing page).

The complete title of this engrossing new analysis of the radio market is "Markets in Radio Homes—by Income Levels and Price Levels." Particular attention is paid to those commodities "whose prices preclude equal distribution throughout all economic classes"—i. e., those that are out of reach of the masses. Answers are given to the following two questions: "What part of the total market for various commodities lies within each income level?" and "What degree of coverage does radio broadcasting over the Columbia coast-to-coast network provide?"

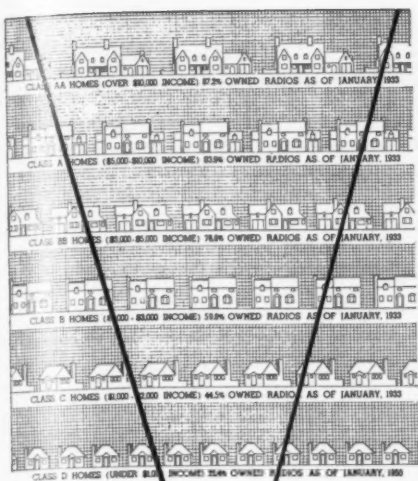
For this study the preface goes on to show that there are two major sources of data: (1) The percentage of all homes in each income level owning radio sets as of January 1, 1933, as determined by tabulations made for Columbia by the United States Department of Commerce and made public under the title "Vertical Study of Radio Ownership, 1930-33"; (2) The percentage of the total markets for each of twenty products, most of them higher-priced, lying within each income level. This latter information has been determined by confidential analyses of distribution and sales by

income levels, as compiled by Columbia from data secured from 199 manufacturers, distributors, and dealers in 12 important industries.

A masterly letter and questionnaire were sent to these sales organizations, which called for a statement of the sources for the figures, the degree to which they were based on actual records, whether they came from retail dealers, from credit cards, from special surveys, trade testimates, etc. The response was extraordinary. Four hundred and eighty-three answers were received, out of five hundred questionnaires mailed out, the responses ranging from "you are shooting at the moon" to "we are beginning the analysis at once." One hundred and ninety-nine answers contained usable data, which took ten solid months to compile.

As an index to the interest in the subject, a leading insurance company tabulated over \$100,000,000 worth of life insurance on its books to determine into what income groups its policy holders fell, and in what proportions, and a manufacturer operating a chain of retail stores conducted surveys on each retail sales floor for a six-months' period. A distributor of electrical equipment gathered facts from over 100 retail dealers.

Income levels as determined by rents and home valuations in the 1930 census show that 808,644 families (or 2.7%) are in the "AA" class, that is, they had homes or home rentals as of 1930 that indicate a \$10,000 or better annual income. On the same basis, there were 2,591,760 families in the



Columbia's study shows that the wedge of radio ownership narrows as it goes down from high income levels to low.

grade "A" class (\$5,000 to \$10,000), or 8.7%; 4,383,695 or 14.7% in the "BB" (\$3,000 to \$5,000) group; 8,709,076 (or 29.1%) in the "B" (\$2,000 to \$3,000) group; 8,568,573 (or 28.6%) in the "C" (\$1,000 to \$2,000) group; and 4,842,915 (or 16.2%) in the "D" (under \$1,000) group.

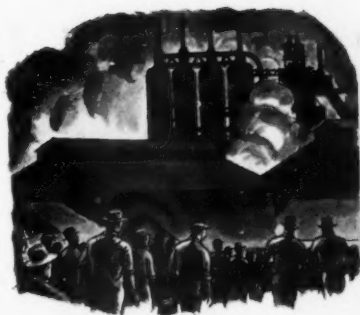
What percentage of each of these groups bought shoes costing over \$10, and what percentage of the potential CBS radio audience falls in each of these same groups? These figures are given in twenty simple areagraphs.

A study of the table presented herewith shows some interesting facts. It seems that 59 out of every 100 women in the \$10,000 or better group are in the \$10 or better shoe-buying class, whereas only 28 out of every 100 men achieve that high distinction. Time for mere men to rise up in righteous wrath and battle for shoe equality! Unless, of course, a man gets a better shoe for less money, which is probably the case, but which still leaves him with a kick coming, as long as he buys such a large percentage of the fair sex's footwear.

Sometimes the participating responders were unable to make as full a division as was asked for. In such cases the groups are combined, as "AA" with "A" or "B" and "C" with "D," etc., but the figures were worked out with a surprising degree of regularity when we consider how casual and haphazard the knowledge of the average manufacturer is on his consumer market division by income classes.

For those whose products were not included in the list, the brochure now being sent out provides a working formula, and a sample work sheet by which the curious can work out their own data privately in the same way in which these twenty product classes have been done.

AUGUST 1, 1934



WHEN THE GREAT STEEL STRIKE ENDED

As strapping puddlers and brawny coal-diggers walked back to mill and mine, in 1919, "business films" were taking timid steps toward recognition as a major advertising medium. But acceptance was tardy. Bulky, expensive equipment, producers without imagination, script without selling-power—all impeded this potentially great development.



Castle camera-men go right to the field of operation—every film is accurate and authentic

THE HISTORY of the successful business picture is largely the history of one company—Castle Films.

Compressed into a handful of film as Castle does it, your selling story *leaps into life*—throbs with the drama, the spell, the power that jabs awake sleepy jobbers, smashes the "No" complex of depression-drugged dealers, vitalizes and vocalizes the dulllest piece of household equipment for consumers wearied-to-death of "sales-canvass talks."

Castle *sells* because Castle *simplifies*! Twenty years' long experience has shown our staff of sales and advertising executives how to get to the heart of your business-problem—analyze it, dramatize it, *picturize* it in crisp, concen-

trated form so that all who see and hear will boost and *buy now*!

Too many sales are put to death by *elocution*!

Castle Films, plus the new portable, 16 mm. sound projector, keeps the most garrulous salesman in check, standardizes what you have to say, wastes no time. Castle knows business—railroads, fruit, cereals, textiles, automobiles. Castle knows people—tradesmen, jobbers, consumers, producers. Castle puts them both together, talks in ideas each can understand, gives the best salesman a helper as good as he himself is!

Consultation with one of our staff members costs nothing. Ask us to call and discuss your immediate sales-problems in this country, or anywhere in the world!

CASTLE FILMS

Producers—Distributors—Exhibitors of
BUSINESS MOTION PICTURES

R. C. A. Building, Rockefeller Center, New York City
Wrigley Building, Chicago • Pacific Coast, Claus Spreckels Building, San Francisco

Washington Sees Building Boom Through Big Promotion Campaign

Washington, D. C., July 27, 1934.

GREATEST promotion campaign since the boom days is presaged within the next two months by the new Federal Housing Administration.

A large part of the advertising will fall in the trade magazines, but consumers will be reached through various media, if the campaign being outlined by James Moffett, Housing Administrator, and Ward Canaday, his public relations counsel, is carried out by manufacturers.

The Housing Administration itself will do no advertising. Through newspaper and magazine publicity it hopes to make the nation as home-construction and home-renovization conscious this Fall as it was made NRA conscious just a year ago. Then manufacturers must follow through.

In a quiet, little-publicized meeting, 45 of the nation's biggest and most important industrialists and business men met with Administrator Moffett this week. No announcements of what took place were made.

But these men were told that 13,000,000 homes in the United States are in need of repairs; 3,000,000 need major repairs; 1,750,000 new homes are badly needed to meet present overcrowding; bank deposits are reaching a new high—Federal Reserve member banks holding one-third more in securities than at peak of boom—but loans and investments have shrunk nearly \$10,000,000,000 since 1929.

The blockade on mortgage loans must be broken, says the Housing Administration. This is the key to success in the entire problem. The money is here. It must be gotten out in industry.

Advertising and a patriotic appeal to the nation, such as put over the NRA, can do it, the Housing Administration believes.

Crusade to "Build Now"

While the Administration launches its nationwide publicity campaign (not a ballyhoo, says Canaday), those who sell the thousand and one products that go into construction are being urged to join in a sales campaign to builders and the people generally, calling attention to the comparative cheapness with which new construction and renovization can be undertaken now.

Next week the Housing Administration will move into its quarters in the fifth floor of the new Post Office Building here. Between times two more key appointments will be made: A deputy in charge of the mortgage loan section; a deputy in charge of the building and loan and bank sections. Also forthcoming immediately

are the rules and regulations to be promulgated for the making of mortgage loans.

The Housing Administration is going slowly. It wants to make as few mistakes as possible—thinking of the NRA troubles. Within two weeks it will be in second gear, ready for the high-gear jaunt ahead.

If its program puts two and one-half million people back to work, not the five million ordinarily employed in the building trades, it will be called a whooping success.

Important to remember is that the Administration itself will actually spend little money. It is not one of the "New Deal" spending agencies. Outside of its \$200,000,000 mortgage guarantee feature—in no sense an outright expenditure—its only expense will be that of administration.

Business Should Hum in Fall

But late Fall and election time will see another wave of public spending outside of Housing Administration's push.

The prodigality with which Secretary Ickes dished out \$3,700,000,000 in Public Works funds in a few short weeks, shut up shop and went off on a vacation, is nothing short of amazing. At another time the world would be dizzy talking about it. This vast sum will reach its apex of purchasing power about October 1.

Federal Emergency Relief Administration again joins the spending group. Apart from the pure relief funds which will be needed—not the most sanguine denies that hundreds of millions will be needed for this purpose this Winter—\$100,000,000 is going to keep college students in school; \$20,000,000 is going to purchase cotton for mattresses and ticking this Winter; a few millions are going into a plan for building up the wood-pulp industry in the South.

Agriculture is going to push away at the subsistence homestead plans; RFC is lending and will lend every time it sees a chance to help employment and be half-way sure of a return of its principal and interest (it made \$21,000,000 profit last fiscal year); AAA will throw money to farmers this Fall in rental benefit payments.

With a nation definitely out of the dumps the forthcoming spending will be even more effective than the billions of a year ago; this year it will go more and more into industry's goods and to the minor luxury market of home furnishings and construction; last year it went for the necessities of life.

It looks like a big Fall and Winter with a satisfied electorate at the November polls now at stake.

Hauk

SALES MANAGEMENT

Major Bills Insisted Upon By Roosevelt
TARIFF BILL VOTED BY SENATE, 57 TO 33
ADJOURNMENT DINES
U. S. SEEKING \$800,000,000 IN NEW FUNDS
Half Billion in 2 1/2 P. C.
BRAIN TRUST FOES BALKED BY BILL
Republicans Split Helps Pass Huge Relief Bill
URGE REPUBLICANS TO WRITE PLATE
HIGH COURT RULING
LITS ECONOMY
Today in Washington
DAVIS IS OUBLED
PRESIDENT OPPOSES WATERWAY ACTION
ICKES FAVORS BILL OF DISNEY TO CONTROL OIL
Republicans Near Accord on Program
Cariff Bill With Roosevelt Rate Lower Passed
SENATE REPUBLICANS LOSE FIGHT TO LIMIT COPE OF TARIFF BILL
THE DAY IN WASHINGTON
President to Listen More To Business?
UNIONS ARE PLEDGED POLL AS ROOSEVELT SIGNS CODE ON STEEL
Supreme Court Nullifies Part Of Economy Act
STOCK MARKET BILL REPORTED TO SENATE
OUTLINES ROLE OF BRAIN TRUST
ICKES STATES HIGHER CRUDE PRICE IS GOAL OF OIL CONTROL BILL
Code for Steel Is Modified to Meet Criticism

Minneapolis Housewives Check Their Pantries

(Continued from page 105)

The voluntary buying groups got 3.4% of their trade because of price, whereas that reason accounted for 18.1% of chain store buying.

Charge accounts accounted for 18.6% of voluntary group buying, and quality 25.4%, while the corresponding figures for chains were 9.8% and 18.6%.

The relatively minor position of the chain stores in Minneapolis was shown strikingly in the coffee inventory. Whereas in Cleveland the three leading coffee brands were those of chain stores, and number one place was held by A & P's Eight O'clock with 20.1%, in Minneapolis Eight O'clock was in sixth place, with only 3.9% of the business. It was topped by Hills Bros., 21.4%, Chase & Sanborn 9.4%; Nash, 9.4%; Maxwell House, 6.2%, and M.J.B., 5.9%. Incidentally, Hills Bros. have been in the Minneapolis market only eight years.

National coffee brands in Minneapolis had 49.2% of the volume as against 27.4% in Cleveland; and chain stores 6.5% as against 56%.

Favorite brands in Minneapolis in other important classifications were as follows:

Flour	
Gold Medal	47.4%
Pillsbury	21.7
Occident	5.3
Ceresota	3.7
Miss Minneapolis	3.3
Mayonnaise	
Kraft	28.6%
Kennedy	10.1
Old Monk	7.9
Rajah	3.6
Gedney	2.9
Tea	
Lipton's	52.5%
Salada	16.7
Chase & Sanborn	1.8
Tree Tea	1.2
Ridgway	1.1
Packaged Cheese	
Kraft	33.7%
Pabst-Ett	15.8
Blue Moon	11.5
Philadelphia Cream	6.6
Borden's	5.7
Salad Dressing	
Miracle Whip	56.8%
Kennedy	5.6
Laura Baird	3.4
Gedney	2.8
Home Made	2.8
Chips and Flakes	
Ivory	19.0%
Lux	16.6
Clean Quick	13.3
Blue Barrel	11.7
Crystal White	10.5
Toilet Soap	
Palmolive	22.5%

Lux	15.1
Lifebuoy	14.3
Camay	12.5
Ivory	9.0
Laundry Powder	
Rinso	36.5%
Oxydol	27.8
Royal Lemon	5.7
Gold Dust	3.5
Selox	1.1

Franklin A. Miller Promoted

Franklin A. Miller steps up from merchandising manager to replacement sales manager for Grey-Rock Products. Grey-Rock brakesets are manufactured by the United States Asbestos Division of Raybestos-Manhattan, Inc., Manheim, Pennsylvania.

General Electric to Hold "Camp Merchandise"

General Electric Company announces it will hold its annual "Camp Merchandise" at Bridgeport, Connecticut, headquarters of the Merchandise Department of the company, August 13 to 16. Merchandise Department men from all over the nation will attend to hear President Gerard Swope, Vice President Charles E. Wilson and other top executives discuss general sales plans while details are "sold" to the staff in the usual series of business meetings and dramatic demonstrations.

IT DARES TO BE DIFFERENT



POINT OF
DIFFERENCE NO. 4

**85% of all Copies
Delivered by Mail**

That so large a proportion of its circulation goes directly into the home in its individual wrapper peculiarly distinguishes The Christian Science Monitor as a home newspaper. It is read under the most favorable conditions . . . by readers who, because they depend upon its information, are favorably disposed to its advertisers.

THE CHRISTIAN SCIENCE MONITOR

Published by The Christian Science Publishing Society
Boston, Massachusetts

NEW YORK OFFICE—500 FIFTH AVENUE

Other Branch Offices: Chicago, Detroit, St. Louis,
Kansas City, San Francisco, Los Angeles, Seattle, Miami,
London, Paris, Berlin, Florence, Geneva.



AN INTERNATIONAL DAILY NEWSPAPER

Media and Agencies

Extra Ingredient

Glance through *Bakers Weekly* and you discover the ingredients of a good business paper. Here, in print, is knowledge of the men, methods and requirements of the industry. A seasoned combination of scientific discussion, practical answers to everyday problems and lively news presentation.

But ingredients alone do not make a publication any more than they do a cake. Other publications have had the right ingredients and fewer readers and less profits. *Bakers Weekly* has expanded for more than a quarter of a century—has developed an advertising volume larger than all its five competitors combined—has actually shown a modest but consistent increase in circulation right through the depression when most publications were, to put it mildly, taking it on the chin. Something more than mere skill in the assembling of news, articles and editorials must have been responsible.

Conduct Endless Research

We wondered what this other ingredient might be. When we visited the *BW* people, they took us out of the editorial offices into the Experimental Bakery-Laboratory adjoining. Interesting, we thought. It's proper that the editors of a bakery paper should know how to bake. But then we discover that this bakery is something more than a workshop. We learn that its objective is not merely to help *BW* follow and participate in current developments but to take an active leadership in promoting the progress of the industry. The brothers Bamford—Frank S. and Arthur J.—who took over the paper as a none-too-promising infant and placed its editorial direction in the hands of Albert Klopfer, have operated on the principle that in order to serve they must pioneer. They must try out new ingredients, devices and processes which, as a rule, the individual baker can not afford to gamble with, and then let practical results determine what is to be done about them.

One of the interesting jobs under way in the laboratory when we happened in concerned a water conditioning instrument just arrived from Germany. A recent invention, its application in Europe has been confined largely to sterilization of reservoirs and swimming pools. Technical Director Charles Glabau got word of this development through his contact with European scientists. He became interested in the principles involved and the possibility of other applications, and had a unit shipped to this country for test purposes. As chemists will, Mr. Glabau tried to involve us in an intricate discussion of enzymatic action, ionization values, electronic charges and other mysteries. We did, however, get the idea that such an instrument might be used in treating water used in doughs, with a possibly beneficent effect on fermentation and consequently the quality of the baked bread.

No predictions were offered. A trained research worker merely had a hunch and was following it through. If the hunch eventually proved to be correct, the bakers of America would have available a new aid to efficient production; an instrument

manufacturer would find a new market among bakeries; and, incidentally but significantly, *BW* would have a new advertiser in its pages. If the research should happen to prove fruitless, nothing would be heard about it, and the cost would be charged off to experience.

Another illustration helped fill out the picture. A subsidiary of United Fruit Company—Food Concentrates, Inc.—knew a great deal about dehydrating bananas and equally as much about the place of banana powder in infant and invalid feeding—but nothing at all at the



F. S. Bamford



A. J. Bamford

time about the bakery business. The company's vice-president and sales manager, Basil G. Eaves, was chatting about his product over a luncheon table with the editor of *Restaurant Management*, the sparkling Ahrens publication. "There is a possibility your banana powder might be used in bakery cake," suggested Editor J. O. Dahl, "Why don't you see what *Bakers Weekly* thinks about it?"

The sales manager called *Bakers Weekly*, found that his question had already been answered half way. A year or two before the *BW* people had conducted extensive tests on the introduction of fresh banana pulp into cake mixtures. They found, among other things, that unless the banana was taken at an exact peak point of ripeness, production difficulties would occur and results prove unsatisfactory. They told bakers what steps were necessary to produce the desired results. However, the routine was rather complicated for ordinary production circumstances and for the time being banana cake didn't get very far.

Now came a new series of tests with the dried banana. The bakers' difficulties were eliminated by the exact scientific control of ripening which could be maintained under air-conditioning in the manufacturer's drying plant. Followed months of careful planning and organization prior to actually introducing the product to bakeries. Today the company looks back over a six-months' aggressive advertising campaign which produced over three thousand requests from bakers for its attractive formula booklet and has already gone far to make banana cakes an important factor in the industry.

Results: The baking industry finds in its hands a new, practical and profitable variety of cakes and pastries; Food Concentrates, Inc., develops a new outlet for its product; and again, incidentally, *Bakers Weekly* adds another advertiser to its list.

It is no secret that advertising agencies like to do business with the *BW* crowd. They have an ABC statement and a rate card but they're buried deep in the brief case under a lot of detailed marketing data, the sort of material that gives an agency man a short-cut to the right recommendations on marketing policies.

Roy Shrope, *BW* advertising manager, sums it up this way: "We have nothing to sell but a market. We can't even talk space intelligently unless we know what the product is, what its application, just how it fits in with the bakery picture. We make a profit on an account provided the manufacturer is making a profit on his bakery business; and that depends upon whether the baker himself can use the product profitably. If it is an ingredient, the product itself must satisfy our laboratory staff. If it is machinery, Peter Pirrie, our engineering editor, looks it over before the business end of the office has a word to say. We may, of course, lose an occasional short-term contract because we're not quick enough with the order blank, but, as a rule, when we do get business, it sticks."

Farm Papers Have Biggest Gain

Dollar volume of national magazine advertising in July increased 38% over the same month last year, while the volume in national farm papers increased 78%. . . . The June billing for time charges on the radio networks increased 50% over last year, while the June lineage of newspapers in 52 cities, as checked by Media Records, Inc., increased 11%. General advertising in newspapers was up 19%.

Hardware Age Survey

Hardware Age has just completed a survey which shows that the low month of the year for hardware wholesalers is February, not August as is popularly supposed. January and July are the next lowest months. The survey covers the sales reports of 181 jobbers in 42 states.

Rate Changes

W. E. Donahue, advertising manager of the *Chicago Tribune*, announces a revised schedule of volume rates covering general advertising, effective July 16. The base rate is not changed, but volume rates have been increased 5 cents a line because increased operating costs make it necessary.

Modern Magazines, consisting of *Modern Screen*, *Radio Stars* and *Modern Romances* will, effective with the January, 1935, issue, guarantee 1,300,000 circulation at a page rate of \$2,600. The current rate of \$2,100 is based on a guarantee of 1,050,000.

At the same time the Fawcett Women's Group announced that their guaranteed circulation will be increased from 1,300,000 to 1,700,000 effective with the August, 1935, issues.

To These Agencies:

Fashion Park Manufacturing Corporation to N. W. Ayer & Son. . . . ThoroBread, Cincinnati, to the Keelor & Stites Company. . . . The House of Comoy to Donahue & Co. . . . Grinnell Company, General Fire

SALES MANAGEMENT

Extinguisher Company and American Moistening Company to the Larchar-Horton Company. . . . Maryland Distillery, Inc., to the Ralph H. Jones Company, New York office. . . . Fort Orange Chemical Co. to Cowan & Dengler. . . . Hygrade Food Products and Encyclopedia Britannica, Inc., to N. W. Ayer & Son. . . . Anchor Cap & Closure Corporation, Long Island City, and its subsidiary, Capstan Glass Company, Connellsville, Pennsylvania, to Kelsey Advertising, Inc.

Flaherty to Tower

Robert H. Flaherty, formerly advertising manager of Anheuser-Busch, St. Louis, has been appointed advertising director of



R. H. Flaherty

Tower Magazines, according to an announcement by Catherine McNelis, publisher. Mr. Flaherty will have complete charge of all advertising. Straud Gale continues as western manager, with offices in Chicago, and Richard Budd as Pacific Coast manager at San Francisco. George Eyland, who has been the western representative of *Tiny Tower*, comes to New York to be its advertising manager.

White to Bowne

Harvey Conover announces the appointment of James R. White as publishing director of *Bowne's Wines & Spirits*, a Conover-Mast publication. Mr. White, recently vice-president and sales director of General Wines & Spirits Corporation, is a past president of the Technical Publicity Association, and a former vice-president of Rickard & Company, advertising agency, and also of Jenkins Bros.

Talking Points

(Continued from page 121)

SEARS, ROEBUCK out-guarantees the other tire guarantors when it warrants Allstate tires as proof against "blow-outs, rim cuts, stone bruises or any other damage for 24 months." . . . But MONTGOMERY WARD goes Sears one better: "guarantee is not limited to any number of months or miles. . . . Complete protection for the entire life of the tire—as long as it is in use." However, Ward's protection does not cover punctures, and it has the option to repair or replace, facts which Sears point out, and then refers to its own all-inclusive guarantee. It looks like happy days for car-owners, whatever brand they select.

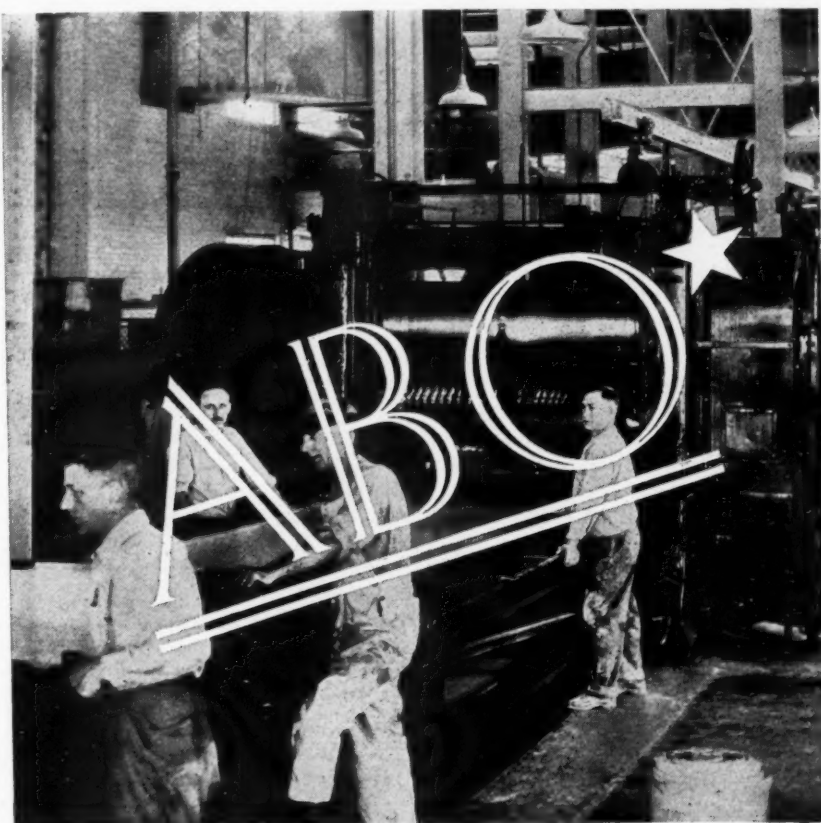
The PITTSBURGH PLATE GLASS COMPANY is merchandising Duplate Safety glass by picturing two men walking down the street with their heads and shoulders encased in square frames of glass. Copy goes on to point out how careful anyone would be walking down the street in such

an enclosure, and yet how much more important it is not to be similarly encased when traveling at high speeds in motor cars.

In recent magazine advertising SINCLAIR is employing an assembly of news photographs with accompanying captions, the whole effect being that of an editorial news picture page. No signature line is carried. White Rock has adopted a similar style, but is employing less than full pages so that some editorial text actually adjoins the advertisement. The pictures are run under the headline, "White Rock was there, too." The pictures show typical social scenes at popular dining spots, such as the Madison, the Coq

Rouge, the Marguery and Chatham Walk. The pictures are of celebrities and society people and in every case are informal snaps taken at the table with "alkaline side" bottles well within the range of vision. In some cases other types of bottles are also shown, thereby suggesting the mixing possibilities.

The CEMENT INSTITUTE, composed of the manufacturers of Portland cement, are conducting a cooperative advertising campaign in which an effort is made to explain the price policy which obtains in the cement industry under the present NRA set-up. The series is appearing under the heading, "Going Forward with Cement."



New men and new jobs are reached immediately when you use ABO* coverage

*ACTIVE BUYERS ONLY

MILL & FACTORY

A CONOVER-MAST PUBLICATION

205 E. 42nd St., New York City . . . 333 N. Michigan Ave., Chicago

(B-714)

AUGUST 1, 1934

[127]

Sales Letters

BY MAXWELL DROKE

Indicate a Specific Act, Don't Just "Get Out a Letter"

Because it is typical of so many communications which find their way to this department, I am reproducing a letter recently received, having altered it only enough to disguise the identity of the firm: "Dealers like yourself have been responsible for much of our success during our 'Half Century of Progress.'"

"You have been a good customer for some time. We are looking for a way to serve you better in order that you may increase the volume of business you place here. The people of your community look to you for their requirements because you are well and favorably known. The high quality of your merchandise and the excellent service you offer is helping to build up your business."

"We would like to be of greater help by working more with you in supplying your customers with the highest quality of — at no extra cost to you or your customers."

"Mr. —, our new representative in your territory, has been with us only a short time, but reports fine reception on the part of all dealers. We believe this is largely due to the high standing of our company's policy of 100% dealer co-operation. Mr. — will appreciate the opportunity of working with you on your — requirements."

"The new — catalog will be printed in a few weeks. You will find all standard material priced very attractively in most convenient form. As you know, for special work, there is no plant in the country better equipped than ours."

"It will be nice to hear from you personally, Mr. Jones. Kindly tell us just how we can make you a better customer."

My correspondent would like to know why the returns from this letter have been so meagre. I counter his question with another: Just what sort of returns are expected? Actually, there is nothing in this letter to which the average retail merchant can make an intelligent response. Analyze the letter closely. You will find that it merely says, in effect, "We would like to do more business with you"—a generality to which every competitor could also subscribe. The last sentence is particularly presumptuous, "Kindly tell us how we can make you a better customer?" Even if he should be disposed to do so, how could the dealer intelligently answer that question? And it really isn't his problem.

If we are going to get answers to our letters, we must present some definite plan or program—indicate some specific action for the recipient to take.



Maxwell Droke

Standing Invitation

Mr. Droke is always glad to criticize sales letters and direct mail messages for our subscribers. There is no cost or obligation for this service. Address him in care of SALES MANAGEMENT, enclosing a stamped, addressed envelope.

Tell Half, They're Hungry; Tell All and They're Bored

I rather like the way McCarthy & Simon pave the way for a telephone solicitation by an advance letter. This example, which they sent us the other day, arouses the recipient's interest, but does not tell enough of the story to satisfy his curiosity. Therefore, the telephone call finds him receptive:

"Theodore Roosevelt sensed a very interesting truth when he said 'There is a mighty human side to business when you really get acquainted with the people in it.'"

"For that very reason, we should like to get acquainted with you. Further, we are going to take the initiative and call you on the telephone."

"There's a real reason behind this call—a better specialized service in caps and gowns and quality merchandise at the most attractive prices ever offered by McCarthy & Simon."

"The loyal patrons that this service has made are the biggest asset this business has. We are sure our story will be of interest to you, particularly for the 1934 season."

"You will hear from us by telephone in a few days, and it will take but a couple of minutes to tell you the nature of our plans."

"In the meantime, we are

"Yours for better acquaintance,"

Make Friends Even if You Don't Want to Sell Now

How to handle the prospect who, for one reason or another, you cannot sell, has always been a problem. I like this letter used by Frosted Food Sales Corporation:

"Thank you for your inquiry about Birdseye Frosted Foods. We appreciate your interest, and only regret that we are not in a position to sell you at present."

"You can appreciate, Mr. Stone, that perishable merchandise of this type is most difficult to handle, and in localities where there are no low temperature storage facilities available, it is nearly impossible, because of the prohibitive cost of the necessary amount of dry ice satisfactorily to keep the products in a solidly frozen condition."

"We are opening new sales territories as rapidly as physical difficulties can be overcome, and hope that we can serve you by this time next year."

"In the meantime, to answer any questions which may exist in your mind we are enclosing literature that you should read to be better informed regarding this revolutionary new method of preserving perishable foods."

"With cordial good wishes,"

A Direct Mail Novelty That Catches These Skeptical Eyes

As a rule, this Department does not run a temperature over advertising novelties, but we have run across one recently that rather appealed to us.

That "stopper" is a mailing put out by Commercial Letter, Inc., of St. Louis. It consists merely of a scrap crudely torn from the "Personal" column of a newspaper. In between the "Daddy, please write to me . . ." and "Will party witnessing accident . . ." pleas, the prospect reads, "Personal—If Mr. (Prospect's name inserted) will communicate with Commercial Letter, Inc., 308 Locust St., St. Louis, Mo., he will receive information regarding personalizing of printed matter to increase the effectiveness of his Direct Mail Advertising." I don't know anything about returns, but I'll venture to say that this message was at least read by practically 100% of the recipients.

"It's Free" Is Not Enough to Start a Prospect Stampede

As readers of this Department well know, one of our firm convictions is that the accompanying or introductory letter should "sell" the free book, making the reader feel that here is something to which he can very well afford to devote a few moments of valuable time. Just because a book is offered without cost or obligation is no reason to assume that prospects will rush pell mell to receive it. To interest the more desirable type of reader, the book must be merchandised as actively as though a price were placed upon it. This letter, used by American Rolling Mill Company, is a good example:

"So many manufacturers are asking for copies of the handsome new book on Armco Electrical Sheets that we don't want you to be overlooked."

"And you need not be. There is a handy post card with this letter. Just mail it, and, in a few days, you will receive your copy."

"Regardless of the type of electrical equipment or machinery you build, you will find much interesting and useful information in this booklet. It is comprehensive without being overloaded. All the really essential curves, tables and descriptions of grades are included. The cover is attractive and durable, the pages cleanly printed, and there is a handy table of contents."

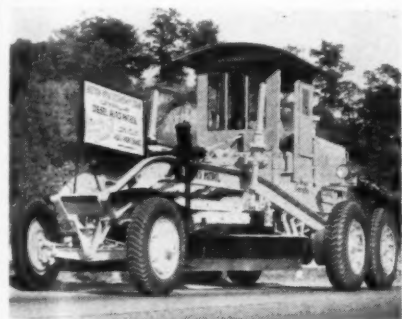
"But remember, this is a limited edition. Send for your copy today—by just briefly filling in the postage-free card. As soon as we get it, the book will be marked for your personal attention and put into the mails."

Snapshots

THE TEXAS COMPANY is now selling Ten Dollar coupon books. Inside the cover is a long, folded strip of paper, perforated in 1,000 parts, each numbered and each worth one cent when presented by the customer to the service man for Texaco products, or Texaco Certified Lubrication service. They have also a special national travel order book, designed specifically for tourists. These books are restricted to customers whose credit is beyond question, and each book contains 30 orders in original and duplicate. The service station man fills in the blanks and detaches the original which he passes over to the Texas Company.

THE BORDEN COMPANY brings out a dried milk food for fish that has a large potential market among the sixty million domestic goldfish which are sold in this country every year. Like Ivory soap, the piscatorial provender floats. Further, it comes in eight colors so fanciers can match fish and food.

HEINZ is not going to let Gerber get a stranglehold on the strained vegetables for babies business. Additions to the 57 Varieties are strained spinach, beets, carrots et cet. The ad campaign includes national magazines and medical journals and a counter display for grocers.



One of five Caterpillar Diesel Tandem Auto Patrols which started July 5 from Peoria on a cross-country tour. Every state in the union will be covered by these demonstrators.

AIR-COOLING will help the coal industry considerably, it is anticipated. As an example, an air-conditioned office building in Chicago during a 100 degree "scorch" burned up 23,000 pounds of coal. The same amount of fuel was used to warm the building when the thermometer was 10 above.

KELLOGG'S PEP is offering youngsters admission to swimming pools and beaches in several localities with each

package cover. In addition, a book of swimming and diving lessons is given to each boy or girl who is accompanied by a person paying the entrance fee.

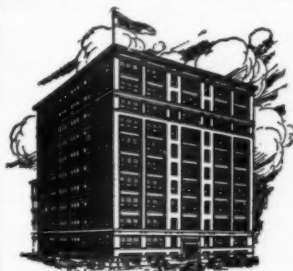
THE LATEST VERSION of the Williams Oil-O-Matic coal shovel promotion stunt is the giving of best quality washboards at thirty-nine cents by an Illinois distributor of ABC Washing Machines.

CAMPBELL SOUP Company will go on the air for the first time in the Fall, having bought the Friday, 9:30 to 10:30 p. m. period over the entire Columbia coast-to-coast network. The time costs about \$15,000 per broadcast. The air show is being built up in advance through a two-months'

"talent hunt" for an ingenue to play a role opposite Dick Powell.

FRANKFORT DISTILLERS, Inc., have inaugurated a series of night advertising displays over New York, Chicago and Los Angeles, which utilize a new application of aerial Neon signs carried on dirigibles operated by Goodyear-Zeppelin. This aerial advertising is being run concurrently with a national advertising campaign.

RCA VICTOR has capitalized on the current interest in all-wave radio receiving sets, is distributing "radio-tour maps" showing radio stations of the United States, Canada and Mexico, and the principal short-wave stations of the world.



One of the largest and best equipped printing plants in the United States

Day and Night Operation The best quality work handled by daylight

You will find upon investigation that we appreciate catalogue and publication requirements and that our service meets all demands.

Printing and Advertising Advisers

We assist in securing catalogue compilers, editors, advertising men, or proper agency service, and render any other assistance we can toward the promotion, preparation and printing of catalogues and publications.

Catalogue and Publication PRINTERS

ARTISTS—ENGRAVERS—ELECTROTYPERS

**Make a Printing Connection with a Specialist
and a Large and Reliable Printing House**

OUR SPECIALTIES:

- (1) Catalogues
 - (2) Booklets
 - (3) Trade Papers
 - (4) Magazines
 - (5) House Organs
 - (6) Price Lists
 - (7) Also Printing
- Such as Proceedings, Directories, Histories, Books and the like. Our complete Printing Equipment, all or any part of which is at your command, embraces:

TYPESETTING

(Linotype, Monotype and Hand)

PRESSWORK

(The Usual, also Color)

BINDING

(The Usual, also Machine Gathering, Covering and Wireless Binding)

MAILING

ELECTROTYPING

ENGRAVING

DESIGNING

ART WORK

If you want advertising service, planning, illustrating, copy writing, and assistance or information of any sort in regard to your advertising and printing, we will be glad to assist or advise you. If desired, we mail your printed matter direct from Chicago—the central distributing point.

Business Methods and Financial Standing the Highest (Inquire Credit Agencies and First National Bank, Chicago, Illinois).

PROPER QUALITY

—Because of up-to-date equipment and best workmen; clean, new type from our own foundry and used once only; modern presses of all kinds.

QUICK DELIVERY

—Because of automatic machinery and day and night service; binding and mailing equipment for the largest edition.

RIGHT PRICE

—Because of superior facilities and efficient management.

Our large and growing business is because of satisfied customers, because of repeat orders. We are always pleased to give the names of a dozen or more of our customers to persons or firms contemplating placing printing orders with us. Don't you owe it to yourself to find out what we can do for you?

Consulting with us about your printing problems and asking for estimates does not place you under any obligation whatsoever.

Let us Estimate on Your Next Catalogue or Publication

(We Are Strong on Our Specialties)

Printing Products Corporation

Executives
LUTHER C. ROGERS, Chairman
Board of Directors
A. R. SCHULZ, Pres. and Gen. Mgr.

W. E. FREELAND, Sec. and Treas.
H. J. WHITCOMB, Vice Pres.
Publication Sales
J. W. HUTCHINSON, Vice Pres.
Catalogue Sales

**Catalogue and Publication
PRINTERS**

Tel. WABASH 3380—Local and Long Distance
Polk and La Salle Sts., Chicago, Ill.

Magazine and Radio Expenditures

Special Report Compiled for SALES MANAGEMENT by Advertising Record Company, Chicago

CLASS	Product Classifications	NATIONAL MAGAZINES				NATIONAL NETWORK RADIO BROADCASTING			
		July Monthly Totals		July Cumulative Totals		June Monthly Totals		June Cumulative Totals	
		1933	1934	1933	1934	1933	1934	1933	1934
1—Automotive Industry		\$ 688,095	\$1,385,564	\$ 5,174,024	\$ 8,385,585	\$ 114,851	\$ 309,391	\$ 923,849	\$ 1,958,611
2—Building Materials & Equip.		95,026	171,305	863,886	1,274,042	Nothing	25,934	Nothing	83,187
3—Cigars, Cigarettes & Tobacco		322,338	454,216	2,357,177	2,977,864	241,288	187,180	1,746,934	2,068,181
4—Clothing & Dry Goods		138,192	281,135	1,279,770	1,969,526	21,993	21,704	233,463	176,110
5—Confectionery & Soft Drinks		159,234	177,681	803,630	935,672	37,786	80,436	538,147	703,544
6—Drugs & Toilet Goods		1,381,381	1,884,329	12,588,056	13,579,465	518,918	1,021,916	3,738,067	6,823,031
7—Financial & Insurance		184,092	222,483	1,228,400	1,466,410	55,540	36,849	324,404	344,364
8—Foods & Food Beverages		1,341,439	1,606,984	11,316,050	11,374,831	607,369	829,166	4,418,080	5,885,183
9—Garden & Field		9,779	31,399	337,363	392,732	Nothing	Nothing	18,922	28,481
10—House Furniture & Furnishings ...		198,679	351,285	2,635,252	3,980,625	16,383	10,629	262,913	289,544
11—Jewelry & Silverware		46,870	86,411	299,871	706,718	Nothing	Nothing	10,450	11,773
12—Lubricants & Petroleum Prod.		236,062	288,081	1,400,627	1,344,442	273,329	202,197	1,908,290	1,456,530
13—Mach., Farm Equip. & Mech. Supp.		23,023	31,919	167,027	226,729	Nothing	Nothing	20,657	15,040
14—Office Equipment		25,343	81,061	208,270	591,186	Nothing	Nothing	37,344	133,856
15—Paints & Hardware		37,635	88,149	415,897	731,108	11,814	12,532	69,466	119,124
16—Radios, Phonos. & Musical Instr. ...		57,998	98,135	390,882	605,611	44,261	32,634	271,594	244,307
17—Schools & Correspondence Courses		120,204	132,078	868,858	816,971	Nothing	Nothing	Nothing	Nothing
18—Shoes & Leather Goods		84,593	106,059	689,211	852,515	Nothing	Nothing	8,743	Nothing
19—Soaps & Housekeepers' Supplies ..		515,459	651,252	4,137,078	4,158,762	71,158	177,623	476,062	1,058,404
20—Sporting Goods		139,807	223,442	644,335	916,721	Nothing	Nothing	Nothing	Nothing
21—Stationery & Publishers		97,914	117,316	782,525	1,013,935	8,261	47,849	145,168	158,550
22—Travel & Hotels		229,208	257,158	1,799,908	2,404,861	31,445	16,180	51,358	80,475
23—Wines, Beer & Liquors		18,348	256,113	59,303	1,432,308	Nothing	71,416	Nothing	270,026
24—Miscellaneous		143,879	216,164	1,147,588	1,746,484	10,799	19,160	66,767	90,545
		\$6,294,598	\$9,199,719	\$51,594,988	\$63,885,103	\$2,065,195	\$3,103,796	\$15,270,678	\$21,998,864

Note—The National Magazines checked total 77 publications—11 weeklies and semi-monthlies, and 66 monthlies. The monthly totals on national magazines are based on July publications for the monthlies, but include *Vogue*. The other weeklies and semi-monthlies are June publications. All figures are based on the one-time or single insertion rate.

Note—The Network Radio Broadcasting figures cover all national or chain broadcasting carried over the networks of the National Broadcasting Company and Columbia Broadcasting System. The figures cover facilities only and do not include talent.

Hurt by Substitutes, Leather Fights to Win Back Lost Markets

(Continued from page 100)

In general, the tanners measure their sufferings by the reduction in the volume of leather produced in this country. Production of cattle hide leather declined from 21,835,000 hides at the nation's high point in 1927 to 14,583,000 hides in 1932, the lowest point in recent years. Since then there has been somewhat of a rise to a 1933 total of 17,000,000 hides. Experts believe this year's production will be about the same as that of last year.

Shoes, taking more than 75% of all cattle hide leather, have not followed the same curves as leather, thus indicating inroads of competing materials. While side upper leather consumption was dropping from 721,000,000 square feet in 1927 to 650,000,000 square feet last year, leather shoe production moved upward from 292,000,000 to 293,000,000 pairs. And in 10 years leather shoes in this country have declined from 3.3 pairs per capita in 1923 to 2.9 pairs last year.

Substitute soles, according to the Tanners' Council trade survey bureau,

took the place of only three-quarters of a million cattle hides in 1926. This year they will replace twice that many. Leather insoles have lost practically all of their market in shoes selling under \$3, while in the same price levels paper welting has cut heavily into leather welting in spite of Barbour Welting Company's strong selling campaign in trade papers reminding the shoe industry that paper welting "tears like paper."

Outside the shoe field leather also has suffered heavy declines in volume. Leather power belting production dropped 60% from 1923 to 1933. Luggage leathers have fallen off 60% in the same 10 years, and upholstery leather 80%.

Harness leather, contrary to the majority of experience in the industry, has been on the uptrend for a year and a half. Production in 1933 was 30% ahead of 1932 and this year the curve is rising. Depression times and lowered farm activity do not stimulate farm tractor sales. The country's horse population has lately held its own. New harness business is rising.

While "nothing takes the place of leather" in harness, everything seems to take its place in low-priced shoes, in luggage, in belts and merchandise. The great task which the industry tackles September 1 is to find an an-

swer to the problem: How can leather win back its legitimate market?

When the ways and means sub-committee, headed by J. T. Keating, decides upon how the job should be done, then the finance sub-committee, of which Frank H. Miller is the present unwilling chairman, will determine the size of the promotion fund and assess it against the industry.

* * *

Speaking unofficially for the makers of "leather cloth," Rudolf Neuburger of the Zapon Company told SALES MANAGEMENT his industry feels that its product is not usually in direct competition with leather. Instead, it has developed a field for itself that leather cannot occupy. Its materials are used in huge volume for making handbags and belts in the low-price field, where real leather could not compete. The same thing applies in the low-price shoe field.

The "leather substitute" industry, admitting that there have been instances of its members' using trade names that suggest leather, hold that there is nothing deceptive about this. It suggests that there are product trade names on leather goods that actually misrepresent the type and quality of leather used, and that "the tanning industry ought to clean its own house."



Booklets reviewed below are free unless otherwise specified, and available either through this office or direct from the publishers. In addressing this office, please use a separate letterhead for each booklet requested, to facilitate handling. The address is SALES MANAGEMENT Readers' Service Bureau, 420 Lexington Avenue, New York, N. Y.

Surveys for which a charge is made are so indicated. Requests for these, accompanied by the purchase price, should be mailed direct to the publishers.

Toilet Goods Industry Trade Media Surveyed

A fact-finding survey of reading habits and preferences in the toilet goods field has just been published in booklet form by Kelly, Nason & Roosevelt, New York, advertising agency, in behalf of *Toilet Requisites*, one of the six trade magazines involved in the survey. Associated with the agency were Walter Mann & Staff, acting in an auditing and tabulating capacity. As an index to the thoroughness of this survey and possibly a suggestion for other studies of like character, we are itemizing the several steps involved. (1) A list of 3,417 leading individuals and firms actively engaged in the purchase of toilet goods for wholesale and retail trade was established. This included 1,888 department store buyers, 79 New York resident buyers for department stores, 319 wholesale druggists, 685 department store merchandise managers, 29 syndicate store buying offices, 417 chain druggist buying offices. (2) This list was submitted to a number of manufacturers familiar with the field, for verification of the fact that the list did actually cover the field. Letters from a number of these manufacturers are included in the published report. (3) A two-way post-card questionnaire was mailed to the entire list. Magazines were not listed in alphabetical order, and the name of *Toilet Requisites* was deliberately buried in the middle of the list. The two questions asked were: Which of these magazines do you receive each month?, and, which is your first choice for general toilet goods information? Which is your second and third choice? (4) All cards were returned to Kelly, Nason & Roosevelt, and turned over to Walter Mann & Staff for tabulation.

By special request of the magazine *Toilet*

from

A to Z

Mailing Lists— Any Classification

SPECIAL LISTS: Sales Managers, Traffic Managers, Purchasing Agents, etc.

Accuracy guaranteed by postage refund on inaccuracies.

RESULTS ADVERTISING CO.

Mailing List Compilers

709 Pine Street

St. Louis, Mo.

Requisites, the names of the five other magazines were not shown according to their respective standings in the published report. They were indicated as Magazine A, etc. The number of returns was 1,125 which is 32.9% of the mailing.

Toilet Requisites received 83.2% of the responding votes, the largest number, with the second magazine scoring 59.2%, on the question as to monthly reading; it stood first in preferences, with 87.8%—74.9% first and 12.9% second choice votes. Second on the preference list was Magazine E, with 21.5% first, 50% second, and a total of 71.5%.

Following each of these major tabulations, the report shows the coverage and preference in each of the several groups of buyers enumerated above, by chart and tabulation.

If you are interested in this field, we recommend that you secure one of these reports, addressing James M. Doherty, Jr., *Toilet Requisites*, 30 Rockefeller Plaza, New York City; or Walter Mann & Staff, 420 Lexington Avenue, New York City. Ask for "Survey of Trade Media Reading Habits & Preferences in the Toilet Goods Industry."

Facts About the Detroit Market and the News

With the automobile industry predicting a 34% increase over last year, fatter pay envelopes for labor, and employment back to the 1930 peak, Detroit, with 70% of its industrial activity in this field, is more than optimistic over its immediate market prospects as a whole. The *Detroit News Year Book*, just published, is a boon for marketeers, with generous statistical and graphic presentation of facts, lists of jobbers and leading retailers (including one classification rarely given in such studies, viz., grocery wagon jobbers) and for the space buyer an analysis of newspaper circulation and advertising. The Detroit trading area of city and six counties is shown to account for 65% of the Michigan income tax returns, 62% of manufacturing value, 59% of industrial plants, 57% of gainful workers and wage earners, 49% of assessed valuation, and 48% of total population. A highly interesting section shows by colored pie-charts the newspaper advertising in twenty

principal selling classifications for the three newspapers operating in the market. Available to national advertisers and agency executives—address J. Albert, promotion manager, *Detroit News*, Detroit.

Crowell Booklet on New Housing Act Available

The Crowell Publishing Company has cooperated with the Administration of the National Housing Act by preparing a special pamphlet called "New Money for Your Home." It is an explanation of the National Housing Act and what it can mean to the people of America in terms of repairing, financing or building a home. This pamphlet was edited and read for legal accuracy by Frank Watson, draftsman of the National Housing Act. It is being supplied to manufacturers for distribution to interested parties and also to readers of *Woman's Home Companion*, *American Magazine*, *Collier's* and *Country Home*, the interest of this large group of readers being invited through the use of boxes appearing in each of these magazines. For your copy, address Malcolm Smith, Crowell Publishing Company, 250 Park Avenue, New York City.

For Wider Markets

At the start of this year, the Chicago *Tribune* commenced a drive to increase American foreign trade. Enlisting its foreign staff in the drive, answers to the following questions were sought: What does the country where you are stationed import from other countries that the United States could supply? What reciprocal tariffs could America make with that country to increase trade? What increased shipping and banking facilities are necessary to help the United States increase its export trade? Reprints of the resulting articles, cabled from every foreign market, together with significant news articles bearing on the subject—local in origin as well as foreign—and editorials, have been published by the *Tribune* in a book, "For Wider Markets." Charts of comparable export and import business with important markets from 1926 through 1933, and a valuable cross-index of countries and subjects, make the book one of value to all executives concerned with foreign trade. Address W. J. Byrnes, The *Tribune*, Chicago.

Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display.

Cash Basis Only. Remittance Must Accompany Order.

EXECUTIVES WANTED

SALARIED POSITIONS \$2,500 to \$26,000.

This thoroughly organized advertising service of 24 years' recognized standing and reputation carries on preliminary negotiations for positions of the caliber indicated, through a procedure individualized to each client's personal requirements. Several weeks are required to negotiate and each individual must finance the moderate cost of his own campaign. Retaining fee protected by a refund provision as stipulated in our agreement. Identity is covered and, if employed, present position protected. If you have actually earned over \$2,500, send only name and address for details. R. W. BIXBY, Inc., 118 Delward Bldg., Buffalo, N. Y.

POSITION WANTED

Being NEITHER YOUNG NOR BEAUTIFUL, I concentrate on being useful (vide Ben Franklin). Have been a trade paper editor for years, and now a free lance in search of work. Can write forceful and lucid English. Will prepare folders, booklets, catalogs, sales literature, at modest prices. Am competent and dependable. Can cover all details. Inquiries imply no obligation whatever. Frank W. Kirk, Room 1632, 333 N. Michigan Ave., Chicago. Phone: State 1266.

TORONTO
MONTREAL
WINNIPEG
LONDON, E.C.

GIBBONS KNOWS CANADA

REGINA
CALGARY
EDMONTON
VANCOUVER

C o m m e n t

BUYING FROM THE LITTLE FELLOW: In a recent promotion piece the Imperial Electric Company of Akron presents its ideas on "Why You Should Buy from the Little Fellow." In these days of NRA discussions about such things as monopolistic trends, the arguments used by a relatively small-sized concern are deserving of notice. Here is what Imperial says: "The little fellow—that is the Good little fellow—is mighty hard to drive out of business. In spite of depressions, cut-throat competition and major calamities, the small, efficient organization with a first-class product comes up smiling. . . . We are little fellows—not so small that we can't afford a reasonable amount of research and development expense, but we are small enough to have a lot of flexibility. Our customers still deal directly with the owners of the business. Decisions on special problems and policies are immediate and authoritative." . . . Certainly, in flexibility as to policies and in ability to move rapidly in meeting emergency situations and in ownership interest lie potent reasons for the little fellow's existence. This particular company goes on to say, "all of the department heads own a substantial interest in the organization. The good will of every customer is, therefore, a vital consideration to these men." In equations such as this undoubtedly lies no inconsequential amount of hope for the future as to refinement in products and further perfection in the relationship between seller and buyer. We used to have a pretty satisfactory industrial order in this country whereby the majority of the business in most fields was done by a handful of large concerns and the minority was done by a relatively large number of small concerns. Certainly extreme concentration of industry (the greatest threat of NRA) will invite an excess of governmental regulation and regimentation in all phases of industry, not to mention further burdens as regards taxation. It would, therefore, seem that whereas relatively small business has a natural and selfish interest in its own survival, big business has an equally important reason, quite as selfish but not quite so obvious, in seeing small business retain an important position in the industrial order. . . . But if we are to retain in this country the inspiration, as well as the practical benefits which grow out of widespread entrepreneurship, the relatively small business concerns cannot afford to sit back and let Darrow committees, Senatorial orators like Borah and isolated manufacturers and merchants protesting effects of NRA codes, do the preservation job for them. The real answer lies now, as always, in the enterprise manifested by the relatively small concerns and in vigorous promotion and consistent performance along such lines as those stressed by the Imperial Electric Company. Moreover, the management policies as regards the human equation (which are easier to formulate in relatively small concerns)

very frequently constitute the real genesis of the big businesses of the future.

GENERAL JOHNSON STARTS BOOSTING: Most of us are quite aware that General Hugh Johnson in heading up NRA tackled a practically superhuman task. We know that in carrying out the tremendous responsibility entrusted to him he has accomplished practically superhuman results. While he must continue to absorb a large part of the criticism which the unavoidable imperfections in NRA administration entail, most business men have grown to marvel more and more over the energies and abilities of the man as an individual. In spite of which he is more than likely to go down in business history as a martyr—but as a martyr who, while not accomplishing the zenith of his objectives, did perform a necessary and salutary service in inducing business to do some important housecleaning and to approach the problems of self-government of industry in a broader and less immediately selfish spirit. . . . With only about a year to go, there is, of course, much speculation and study as to whether NRA, as we currently know it—(1) will be dropped, (2) will be remodeled, or (3) will be followed by a successor conception. In the course of these studies, the most important conclusions can be reached through intensive study of the actual experience which has been gleaned under the Johnson regime. While many business men have major and minor faults to find with NRA, it is undeniably true that they also had many (and in some respects more serious) complaints about the conditions which existed before NRA. Hence, in seeking enduring solutions for the future, it is vital that business executives approach the whole problem with open minds and in a constructive rather than a destructive spirit. . . . Meanwhile, it is interesting to note that General Johnson is himself "evolving" along the same lines which we are recommending to business executives. In this connection we cite as illustrations his reversal of attitude with regard to the necessity for preserving the freedom of the press and his intelligent and non-New Dealish pronouncement with respect to advertising, delivered within the fortnight before the Pacific Advertising Clubs Association at Portland, Oregon. We quote from what he said about advertising statesmen: "He must have an insight into the manufacture of the article he is to write the copy for. He must know the resistance to be met within prospective sales; he must know his market. In a word, in this great country, he must know the temper and mind of the American people, and when a man knows that he is a statesman no less."

Ray Bill